



सत्यमेव जयते

GOVERNMENT OF INDIA

REPORT OF THE PLANTATION INQUIRY COMMISSION

1956

PART I—TEA

(Excluding Annexures and Appendices)

ERRATA

Cover Page	Last line	Read 'including' for 'excluding'.
Page (ix)	3rd line from bottom	Read 'tax' for 'Taz'.
Page 33	3rd line from bottom	Delete bracket before 'of'.
	2nd line from bottom	Add bracket after '-panies'.
Page 34	This diagram should go on page 104. The diagram on page 104 should be brought on page 34.	
Page 48	Line 10	Read 'of' for 'for'.
Page 58	Para 53 line 3	Substitute 'to a greater extent than companies in North India, we feel that' for the existing line.
Page 63	Line 10	Read 'understand' for 'understood'.
	Para 14	Read 'Annexure XXVII' for 'Annexure XIV'.
Page 66	Para 23 line 8	Read 'recommend' for 'recommended'.
Page 71	Para 6 line 14	Read 'hue' for 'rue'.
Page 74	Para 2 line 4	Read 'Team' for 'Tea'.
Page 78	Last line	Substitute 'M. A. means Managing Agents' for the existing line.
Page 80	Third line below the Table	Read '93.55' for '91.46'.
Page 110	Last but one line	Delete 'already'.
Page 111	Line 11	Read 'of' for 'on'.
Page 139	5th line from bottom	Read 'Cachar Cha Shramik' for 'Assam cha Shramik'.
Page 143	Line 18	Read 'recognition' for 'negotiation'.
Page 146	Para 4 line 7	Read 'Lal Manirhat' for 'Lal monirahat'.
Page 149	Para 15 line 11	Read 'owing' for 'owning'.
Page 159	Para 10 last line	Read 'an' for 'all'.
Page 161	Para 14 line 5	Read 'improvement' for 'improvent'.
Page 162	4th line from bottom	Read 'for' for 'of'.
Page 163	Line 8	Read 'considered' for 'cinsidered'.
Page 183	Para 3 line 2	Read '52.94%' for '25.94%'.
Page 191	Para 22 line 14	Read 'good' for 'goods'.
Page 198	Line 6	Add 'in' before 'India'.
Page 203	Last line	Substitute 'Survey of India's foreign liabilities and assets—Reserve Bank of India—January 1956.' for the existing lines.
Page 212	Para 7 line 4	Read 'auctioned' for 'auction'.
Page 214	Para 11 line 2	Add 'in' after 'Sales tax'.
Page 222	Para 11 line 24	Read 'the' for 'to'.
Page 223	Para 14 line 9	Add '1952' after '1951'.
Page 228	Para 4 line 14	Read 'farmer' for 'former'.
Page 238	Para 19 line 6	Read 'attention' for 'attentition'.
Page 244	Para 11 line 3	Read 'habitats' for 'habitants'.
Page 245	Para 15 Heading	Substitute 'closure of Tea companies' for 'capital issue control to apply to all companies'.
Page 255	Para 8 line 3	Read 'terrain' for 'tarrain'.
Page 261	Chapter IV—Capital Structure	After line 8 add 'The total capital invested in the Tea Industry is estimated as Rs. 113.06 crores' delete line 10.
Page 262	Line 12	Read 'valuation' for 'valuatiton'.
Page 283	Line 14	Read 'a' for 'the'.
Page 835	Annexure XCIX	Add '259' after 'page'.

PLANTATION INQUIRY COMMISSION

Chairman

Shri P. Madhava Menon, I.C.S., Officer on Special Duty and ex-officio
Joint Secretary, Ministry of Commerce and Industry.

Members

Shri K. G. Sivaswamy, formerly of the Servants of India Society, Madras,
and Research Associate of the Delhi School of Economics.

Prof. M. V. Mathur, Head of the Department of Economics, Rajputana
University, Jaipur.

Secretary

Shri T. S. Seshukutty.

TABLE OF CONTENTS

	PARA No.
INTRODUCTORY (Pages 1—8)	
Appointment of the Commission and terms of reference	1-4
Appointment of Assessors	5-7
Methods of inquiry questionnaires	8-12
Questionnaires to small growers	13-14
Methods of investigation of costs	15-16
Other sources of information	17
Visits and interviews	18
Plan of the Report	19

Part I CHAPTER I

GENERAL (Pages 9—14)

India's place in the World of Tea	1-2
The tea industry as an earner of foreign exchange	3
The tea industry as a source of employment	4
Contribution of the tea industry to national revenues	5-7
Tea as a supporter of the plywood industry	8
Tea and the fertiliser industry	9
Contribution of the tea industry to transport earnings	10
The contribution of the tea industry to the development of forest regions	11-12

CHAPTER II

GEOGRAPHICAL LOCATION OF THE TEA GROWING AREAS IN INDIA (Pages 15—18)

Climates suitable for tea plantations	1
Tea regions in North-East India	2
The climate in North-East India	3-4
Other tea areas in North India	5-7
Tea regions in South India	8
Yield and production in the tea regions of India	9-11

CHAPTER III

THE STRUCTURE OF THE TEA INDUSTRY IN INDIA (Pages 19—24)

Development of tea industry—historical	1
General characteristics of the tea plantation industry	2-4
Distribution of land held by tea estates	5
Classification of estates by types of ownership	6
Classification by control (Indian and non-Indian)	7-8

	PARA NO.
Reported companies classified under the above heads	9-11
Control by Agents/Managing Agents/Secretaries	12-13
Concentration of control of production	14
Voluntary organisations of producers	15
Organisations of tea distributors	16
Tea control	17

CHAPTER IV

CAPITAL STRUCTURE (Pages 25—58)	
Sources of information	2
Limitations of data	3-4
The trend in share-holdings 1939-54 overall trend	5
Holdings of individuals analysed by classes of companies	6
Managing Agents' holdings of shares	7
Share-holdings by institutional investors	8
Total invested capital (paid-up plus reserves)	9
The position in the industry of Sterling companies	10
Rupce non-Indian companies	11
Indian companies	12
Investment in all the reporting companies	13
Investment in reporting proprietary estates	14
Investment in reporting companies and proprietary estates	15
Total number of Tea companies in the industry	16
The total capital invested in the tea industry	17-20
Summary	21-24
Capital formation—coverage of the analysis	25
A study of capital formation in the industry	26-29
Growth in paid-up capital	30
Reserves	31-36
Growth in invested capital	37-39
Trends in Bank borrowings	40-43
Revaluation of assets: Capitalisation of reserves	44-45
Certification by Tea Board that each revaluation is justified, recommended	46
Control of capital issues—Need for rigid scrutiny of applications	47
Estimate of available funds with tea companies	48
Amounts ploughed back into fixed assets	49
Growth in internal resources not adequate	50
Sources of augmenting internal finance—Retained profits	51
Necessity for external finance	52
Debenture issues suggested as source of finance	53

CHAPTER V

MAINTENANCE AND UP-KEEP OF TEA BUSHES (Pages 59—69)

Tea culture—on plantation scale	2
The agronomy of tea—method of planting	3-4
Pruning	5
Soil conservation	6
Manuring	7
Pest control	8
Life of the tea plant—need of replanting	9
Region-wise analysis of age of bushes	10-14
Progress of replanting and new planting	15-16
Replanting necessary for increasing productivity	17
Cost of replanting	18-22
Tea replanting fund—creation recommended	23
The Tea replanting fund to be exempt from income-tax—all replanting expense to be an admissible expense under the Income-tax Rule 24	24-25
Provision for replanting expenses when estates change hands	26

CHAPTER VI

METHODS OF PRODUCTION—A DESCRIPTION (Pages 70—73)

Plucking—'fine' and 'course'	2-3
Withering	4
Rolling and fermentation	5-6
Drying	7
Grading	8
Packing	9-10
Manufacture of green tea	11

CHAPTER VII

COST OF PRODUCTION OF TEA (Pages 74—105)

Importance of cost of production	1
Earlier enquiries regarding costs	2
Sources of our data and coverage	3
Definition of cost of production	4
Our approach in the analysis of cost data	5
Limitations of our cost analysis	6
Cost of production of Tea in India and Region-wise	7
Comparison of cost of production figures of Proforma 'C' with those of Cost Accountant's Reports	8-9

	PARA No.
Cost of production—Major item-cum-region wise	10
Comparison of costs in 1950 and 1953 region-wise	11
Management-wise analysis of Costs coverage	12
Management-wise analysis of Costs in 1953	13
Changes in Costs of Production in 1953 as compared with 1950—	
Management-wise	14
Major cost head-wise	15
Management-cum-Region-wise analysis	16
Summary of management-wise analysis	17-18
Proportion of labour costs to total costs	19
Relations between size of estates and costs of production	20
Relation between costs of production and sale prices	21
Summary of conclusions regarding cost analysis	22
Possibilities of reducing costs of production and recommendations	23

CHAPTER VIII

HIGHER PRODUCTIVITY AND LABOUR (Pages 106—144)

Section A.—External Facilities

Introduction	1
The necessity for State Intervention and an efficient staff to administer labour laws	2
The place of “plucking” in the industry	3
Need for labour-saving equipment and devices	4
Necessity for proper training of Labour	5
Training of supervisory staff also essential	6
Difficulties in implementing schemes of labour productivity	7
Work studies and job analysis should be carried out	8
Enforcement of the provisions of the Factory Act	9
Simplification of forms and Registers	10

Section B.—Regulation of Temporary Labour

Reduction in the strength of permanent labour force during 1951—53	1
Labour per acre—regional figures	2
Temporary Labour compared to permanent region-wise	
Temporary Labour—How it arises—its disabilities—our suggestions	4

Section C.—Reduction of Labour Turnover and Absenteeism

Labour Turnover 1950—54	1
Its causes	2
Absenteeism—causes discussed	3
Absenteeism in Assam and Dooars	4
Causes for Absenteeism summarised	5

Section D.—Surplus Labour and employment

Surplus Labour in plantations—extracts of evidence	1
Surplus Labour classified	2
How Assam Government tackled the problem of Surplus Labour	3
State Governments and Employment exchanges could help in placing surplus labour	4
Surplus land in tea estates—How they are used at present	5
State Governments to survey and acquire all surplus lands and utilise them for productive purposes	6
Advice on Family Planning	7
Training in Supplementary Occupations	8
Retirement of Plantation Workers	9

Section E.—Wage Structure

Wage Structure in Tea Plantations	1
Statistics of Employment and Earnings of Labour in Tea Plantations	2
Working of the Minimum Wages Act—Evidence received	3
Loopholes in the notification	4
Our Recommendations—Standing Wages Committees to be constituted	5
Minimum wages not to be altered except for changes in cost of living	6
Exemptions from Minimum Wages Act not recommended	7
Minimum Wages give some security to labour	8
Plucking wages—various system of wage fixation considered	9
Our Recommendations thereon	10
Tasks and their fixations	11
Our Recommendation for Task-fixation	12
Task-fixation to be scientific	13
Time-wages—defects analysed and remedies suggested	14
Hours of work and overtime	15
Higher Productivity—Its reaction on employment—our suggestions	16

Section F.—Industrial Relations

Disharmony in Industrial relations—their expressions	1
Illegal strikes	2
Extent of strikes and lockouts	3
Kinds of disputes relating to disharmony analysed	4-5
Machinery for labour management co-operation	6
Voluntary negotiations	7
Conditions necessary for successful negotiations	3
Conciliations	9
Defects in the working of conciliation machinery	10

	PARA No.
Reports from either party should precede Joint discussions	11
Quality of the personnel of conciliation officers	12
Conciliation by mediation—our suggestion	13
Summary of our recommendations for improving the machinery of conciliation .	14
Tribunals	15
Difficulties in the working of Tribunals	16
References to Tribunals to be only as a last resort—suitable checks to be provided by law against needless references	17
Section 33 of the Industrial Disputes Act to refer only to victimisations as in the Bombay Act	18
A time limit to be fixed for disposal of references to Tribunal	19
Ban against Lawyers appearing before Industrial Tribunals to be removed . . .	20
The need for an independent Tribunal Service	21
Works Committees	22
Some representations regarding their working	23
Weakness of Works Committees—How they can be made more useful . . .	24
Trade Unions—their inherent weakness	25
Trade Unions and outside leadership	26
Necessity for a whole-time cadre of Trade Union Workers	27
A Society of Servants of Trade Unions	28
Existence of more than one union harmful. The most representative unions to be chosen	29
Need for improvement of Trade Union Law and its implementation	30
Unfair practices by Labour	31
Unfair Practices by Employers	32
Enforcement of the clause relating to unfair practices in the Trade Union Amendment Act 1947, necessary	33
A proper procedure for calling a strike to be laid	34
The Employment Standing Orders' Act, 1946	35
Conclusions	36

CHAPTER IX

TRANSPORT SUPPLIES AND SERVICES (Pages 145—152)

Tea—modes of transport from North-East India to Calcutta	1
Difficulties of transport by inland waterways	2
Transport problems in Dooars	3-4
Supply of wagons insufficient—lack of covered accommodation at certain Railway Stations	5
Excise clearance difficulties	6
Transport problems in Darjeeling	7
Delays in grant of Road permits	8

	PARA No.
Increase of the permissible loads for tractors should be considered	9
Condition of roadways leading to Plantation areas in North East India	10
Transport difficulties in South Indian Plantations	11
Tea Garden Stores	12
How the Tea Board assists gardens in getting stores requisites	13
Difficulties in obtaining regular supplies	14-15
Creation of a Co-operative Organisation for supply of Stores recommended—Tea Board also to help	16
Fertilisers to be distributed through these Co-operatives	17
Manure mixing to be done by Co-operatives	18
A suggestion for a Co-operative Organisation for Insurance	19
Import restrictions	20
Procedural delays and formalities have a cumulative effect on productivity	21
Purchases should be made by calling for open tenders	22
The problems of coal supplies in Assam	23

CHAPTER X

FINANCE (Pages 153—164)

Financial needs of tea plantations industry—short-term	2
Short-term needs of the units analysed—In the North	3
In the South	4
Total working capital requirements	5
Sources of short-term finance—Commercial Banks	6
Tea Brokers	7-8
Interest rates for short-term loans.	9-10
Short-term finance—Indian sector's difficulties	11
Our Recommendations for increased facilities for Indian growers	12
Financial problems of small growers—their remedies	13
Problems of long-term finance for the Industry—assessment of future needs	14
Needs of companies in Indian sector greater	15
Limitations of the enquiry	16
Agencies for providing long-term finance—State Finance Corporation	17
State Finance Corporations should also provide finance for relieving estates from indebtedness	18
Co-ordination between State Bank and State Finance Corporations necessary	19-20
Export finance	21

CHAPTER XI

MARKETING OF TEA—PRIMARY SALES (Pages 165—181)

Tea sales—auctions	1-2
Tea—how moved to auction centre	3-4
Warehousing in Calcutta	5

	PARA No.
Warehousing in Cochin	6
Public warehousemen's charges and nature of service rendered	7-9
Tea brokers at Calcutta—their role	10-14
The dominant place of the broker in the tea trade concentration	15-17
Tea brokers also function as financiers	18-20
Recommendation for broad-basing tea marketing	21-22
Tea warehousing	23-24
Tea Auction Committee's report	25
Complaints of speculation in tea market examined	26-27
Export quotas—How fixed	28
Transferable	29
Role of accommodation estate	30-31
Quota transfers analysed	32-34

CHAPTER XII

MARKETING OF TEA—RETAIL DISTRIBUTION OF TEA IN INDIA (Pages 182—191)

Packaged tea—quantity packed by important packing firms	2-3
Excise duty on	4
Loose tea—quantity retailed	5
Sale increased after levy of differential duty on packed tea	6
Excise duty—abolition of differential levy recommended	7
Concession to small holders recommended	8-9
Advantage of vending tea in packaged form	10
Tea packers—classified according to out-turn	11-12
Costs of blending, packing and distribution—cost figures of three leading manufacturers analysed	13-14
Prices of dust blends sold in the internal market	15
Fair price to consumer recommended	16
Tea Board to arrange for packing and distribution	17
Ceilings in production and distribution necessary	18-19
Problem of adulteration in tea	20-24

CHAPTER XIII

CONSUMPTION AND EXPORT (Pages 192—198)

Place of tea in international commerce	1
Trends of world demand for tea	2
A Marketing and Tea Promotion Directorate in Tea Board—recommended	3
Fair price to overseas consumer—not possible for us to prescribe	4
Incidence of freight charges	5
Marine insurance	6

	PARA No.
Quantity and value of exports	7
Consumption of tea in producing and consuming countries in the world . . .	8
Internal consumption in India	9
<i>Per capita</i> consumption—in some of the importing countries	10
In India	11
Consumption potential in India—great	12

CHAPTER XIV

PROFITS AND THEIR ALLOCATION (Pages 199—209)

Introductory—coverage of the analysis	1
Gross profits, Net etc.—defined	2
Gross profits—general trend	3
Related to gross sale	4
Related to total capital employed	5
Commission—to Managing Agents and Directors	6
To Managers and senior staff	7
Interest charges	8
Net profit before tax—general trend	9
Related to paid-up capital	10
Net profit after tax—related to net worth	11
Profits—analysis region-wise	12
Net profits after tax per lb.—management-wise analysis	13-14
Dividends—general trend	15-16
Dividends—related to paid-up capital	17
Dividends—Frequency Distribution	18
Analysis of profits according to categories of ownership	19-20

CHAPTER XV

TAXATION (Pages 210—216)

Central levies—Income-tax	2-3
Excise Duty	4
Export Duty	5-7
Cess and licence fees	8
State Government levies—Agricultural Income-tax	9
Sales tax	10-11
West Bengal tax on entry of goods in local areas	12
Assam road and inland waterways tax	13
Incidence of Income-tax and Agricultural Income-tax per 100 lbs. of tea produced	14
Miscellaneous State and local levies	15

CHAPTER XVI

PLANTATION LABOUR ACT AND LABOUR WELFARE (Pages 217—225)

Introductory	1
The Plantation Labour Act—its main provisions	2
Implementation difficult according to employers	3
Model rules under the Act	4
Expenditure for implementing the Act—estate-wise estimation not attempted	5
Estimate from Producer's Association	6
For housing labour	7
For medical facilities	8-9
Other Amenities	10
Our estimates for implementation of the Act	11
Balanced diet for labour more important than provision of specialist hospitals	12-13
Availability of resources for implementation of the P. L. Act examined	14
Loans for providing housing for labour recommended	15-16
Obligation under the P. L. Act in cases of transfer of estates by sale	17
The Plantation Labour Welfare Organisation—A suggestion	18

CHAPTER XVII

THE SMALL PRODUCER (Pages 226—232)

Small estates—their numbers	1
Their problems	2
Tea factories without tea estates—their numbers	3
Financial problems of tea factories without estates and small growers—in South India	4
In Kangra	5-6
Remedies suggested for small producers—formation of Co-operative credit societies	7
Co-operative tea factory and marketing society	8
Integration of field advisory staff and co-operative societies necessary	9
Small Holders' Co-operative Societies—Assistance to grower members	10
Economic and uneconomic units—difficult to give area as dividing line	11
Solution to problems of uneconomic estates—formation of Co-operative	12
Need for designing of small machines for rolling and drying	13

CHAPTER XVIII

RESEARCH TRAINING AND ADVISORY SERVICES (Pages 233—239)

Experimental research on tea—North India	1
Tocklai Experimental Station—its organisation	2

	PARA No.
How results communicated to planters	3-4
How financed	5
Experimental Station in South India—Devershola	6
Other experimental stations	7
Tea Board and research station for South India	8
Tea Board—Need to supplement and expand work covered by existing research units	9
Need for sub-stations in other regions—Research Directorate for Tea Board	10-11
Need for advisory service	12-14
Need for regional advisory committee	15-16
Training for advisory officers	17-19
Training young men for career in tea plantations	20
Common cadre advantageous for smaller companies	21

CHAPTER XIX

REGULATION OF THE WORKING OF COMPANIES (Pages 240—246)

Managerial and senior staff—particulars available for certain companies	2
Proportion of Indians and Non-Indians in 42 companies analysed	3
Increase in salaries and allowances analysed management-wise	4-5
Commission to staff	6
Commission to Managing Agents	7-9
Disproportionate salaries—Tea Board to be empowered to examine	10
Future recruitment of non-Indians to be controlled	11
Audit of Tea companies	12
Regulation of companies	13
Capital Issue Control to apply to all companies	14
Closure of tea companies	15

CHAPTER XX

SALES OF TEA ESTATES (Pages 247—250)

Recent sales of estates—general characteristics of estates sold	1
Prices per acre high	2
Safeguards for labour and staff	3
Proposed Development Staff in Tea Board should render assistance to new owners	4
Conclusion.	5

CHAPTER XXI

EXPANSION AND DEVELOPMENT (Pages 251—259)

International Tea Agreement—its objective	1
Its effect on expansion of tea acreage	2
Its beneficial effects on the industry	3

	PARA No.
Government and Tea Board should have reserve powers	4
Further expansion and development—the objective	5
Estimate of probable world demand	6
Estimate of probable increase in production in India	7
Need for new planting—Tea Board to survey areas suitable for new planting .	8
Ceiling on Land Holdings	9
Tea Plantation in Punjab to be exempt from the Land Tenure Act, 1955 . .	10
Organisation of the Tea Board—some suggestions	11
Standing Committees to be constituted for carrying out proposed additional functions	12
Experts to be co-opted on these committees	13
Chairman of Tea Board to be <i>ex-officio</i> Chairman of the Committees. . . .	14
Constitution of the executive committee—its function	15
Tenure of the Vice-Chairman to be co-extensive with that of the Board . .	16-17
Organisation for Development and Control of the Tea Industry in the Central Government	18

CHAPTER XXII

	PAGES
SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS	260-295
ACKNOWLEDGMENTS	295-296

INTRODUCTORY

Appointment of the Commission and terms of reference

1. In view of the importance of the Tea, Coffee, and Rubber plantation industries in the national economy of the country, the Government of India in the Ministry of Commerce and Industry decided to make a comprehensive enquiry into the economic conditions and problems of these industries and for this purpose appointed the Plantation Inquiry Commission by their notification No. S.R.O. 1261, dated the 17th April 1954, reproduced as Appendix I of this report.

The following members were appointed to this Commission :

- (1) Shri P. Madhava Menon, I.C.S., Officer on Special Duty and *ex-officio* Joint Secretary, Ministry of Commerce and Industry—Chairman.
- (2) Shri K. G. Sivaswamy, formerly of the Servants of India Society, Madras, and Research Associate of the Delhi School of Economics.
- (3) Prof. M. V. Mathur, Head of the Department of Economics, Rajputana University, Jaipur.

2. Under the terms of reference they were required to make a comprehensive enquiry and in particular to

- (a) ascertain separately the amount of capital, Indian and Non-Indian, invested respectively in Tea, Coffee and Rubber plantations;
- (b) examine the methods of production and the costs of production of Tea, Coffee and Rubber in the different important growing areas in India;
- (c) examine the present methods of financing Tea, Coffee and Rubber plantations ;
- (d) examine the present methods of marketing Tea, Coffee and Rubber including all the factors which affect the price paid by the consumer ;
- (e) examine the possibilities of further expansion and development of the Tea, Coffee and Rubber plantation industries.

3. On the conclusion of the inquiry the Commission were required to make recommendations to Government on the measures necessary

- (a) to secure for the producer a fair price for his product and to the consumer a fair price for the article he buys;
- (b) to enable the provision of necessary finance for the plantation industries;
- (c) to ensure suitable marketing arrangements; and
- (d) to develop and expand the Tea, Coffee and Rubber plantation industries.

4. The Chairman joined his post on 17th April, 1954, Prof. M. V. Mathur on 4th May, 1954 and Shri K. G. Sivaswamy on 16th June, 1954. The Chairman and members were on whole-time duty with the Commission. The Chairman served whole-time till the 23rd December, 1955, when he joined the post of Joint Secretary in the Ministry of Labour and carried on the duties of Chairman in addition to his duties as Joint Secretary. Prof. M. V. Mathur served as full-time member till 4th November, 1955 and as part-time member after that date.

Appointment of Assessors

5. Government decided that Principal assessors, representing Labour and Employers, should be associated with the Commission to assist and advise them, and in accordance with this decision appointed the following gentlemen as Principal assessors to represent the interests mentioned against their names:

Name	Interest Represented	Region
1. Shri K. P. Tripathi, M. P., General Secretary, Indian National Trade Union Congress, New Delhi.	Labour	All India
2. Mr. H. J. Walsh, Adviser, Indian Association, Calcutta.	Tea Employers	North India
3. Mr. D. M. McIntyre, Kundali Estate, P. O. Ellapatti (T.C.).	„ Tea	South India
4. Shri K. H. Srinivasan, Retd. Director of Agriculture, Mysore & Coffee Planter, Crescent Road, Bangalore.	„ Coffee	All India
5. Mr. A. B. M. Clark, Isfield Estate, P. O. Kalthuritty (T.C.).	„ Rubber	All India

6. Government also decided that in addition to the Principal assessors mentioned above, the Commission should associate with themselves two Local assessors, with knowledge of local conditions in the industries concerned, one representing Labour and the other Employers, in respect of each planting region and each plantation industry. The names of the gentlemen appointed as Local assessors are given below:—

Name	Interest Represented	Region
<i>Tea—</i>		
1. Shri P. K. Barooah, Chairman, Jorhat District Committee, Assam Tea Planters' Association (Assam).	Employers	Jorhat (Assam)
2. Shri K. Barooah, Member, Assam Tea Planters' Association (Assam).	Employers	Tezpur (Assam)

Name	Interest Represented	Region
3. Shri B. M. Baksi, Manager, Marionbarie Tea Estate, Terai (West Bengal).	Employers	West Dooars (West Bengal)
4 Shri N. K. Dutta, Chairman, Dibrugarh District Committee, Assam 'Tea Planters' Association, Dibrugarh (Assam).	Employers	Dibrugarh (Assam)
5. Mr. C. W. Emmett, President, Darjeeling Branch, Indian Tea Association, Darjeeling (West Bengal).	Employers	Darjeeling area (West Bengal)
6. Shri B. M. Gupta, Secretary, Cachar Native Joint Stock Co., Ltd., Silchar (Assam).	Employers	Cachar (Assam)
7. Shri S. Guha Thakurta, Manager, Ramjhora Tea Estate, District Jalpaiguri (West Bengal).	Employers	Eastern Dooars (West Bengal)
8. Mr. G. Stevens, Chairman, Anamalai Planters' Association, Valparai, (Madras).	Employers	Anamalais (Madras)
<i>Coffee—</i>		
1. Shri M. A. Dharmaraja Iyer, Honorary Secretary, Wynaad Coffee Growers' Association, Kalpetta (Madras).	Employers	Wynaad area (Madras)
2. Shri W. P. A. S. Deenadayalan, Pattivecranpatti (Madras).	Employers	Palni Bodi Sirumalai area (Madras)
3. Mr. G. S. Homewood, Nilgiri Neerugundi Estate, Nilgiri District (Madras).	Employers	Nilgiris area (Madras)
4. Shri N. M. Karumbaya, Honorary Secretary, Indian Planters' Association, Mercara (Coorg).	Employers	Coorg
5. Shri S. N. Ramanna, Chikmagalur, (Mysore)	Employers	Chikmagalur (Mysore)
6. Mr. R. Radcliffe, Ossoor Estate, Hassan (Mysore).	Employers	Hassan District (Mysore)
7. Mr. W. A. Rahm, Chencaud Estate, Yercaud, Salem District (Madras).	Employers	Shevaroys area (Madras)
8. Mr. J. H. Sprott, Coovercolly Estate, Somwarpct (Coorg).	Employers	Coorg
<i>Rubber—</i>		
1. Shri M. M. George, Vaikundam Estate, Marthandam (Travancore-Cochin).	Employers	South Travancore-Cochin
2. Shri A. H. Krishnan, Sherneilly Rubber and Cardamom Estate Ltd. (Travancore-Cochin).	Employers	Nelliampathy (Travancore-Cochin)
3. Shri K. V. Thomas, Kollamakulam Estate, Kanjirapally (Travancore-Cochin).	Employers	Kottayam and Central Travancore-Cochin.

Name	Interest Represented	Region
<i>Labour—</i>		
1. Shri Cyril Francis, Secretary, High Range Workers Union, Munnar (Travancore-Cochin).	Labour	Travancore-Cochin
2. Shri M. Padmanabhan, Secretary, South Indian Plantation Workers Union, Munnar, (Travancore-Cochin).	Labour	Madras State.
3. Shri L. M. Prodhan, Secretary, Dooars Chai Bagan Mazdoor Sangh, Kalchini, (West Bengal).	Labour	Darjeeling area (West Bengal)
4. Shri A. Ramanna, Vijaya Daily (Mysore)	Labour	Mysore and Coorg.
5. Shri M. N. Sarmah, General Secretary, Assam Chah Karamchari Sangh, Dibrugarh (Assam).	Labour	Assam Valley
6. Shri Deven Sarkar, Secretary, West Bengal Chah Sharmik Union, Jalpaiguri (West Bengal).	Labour	Dooars and Terai (West Bengal)
7. Shri Dwarka Nath Tewari, General Secretary, Indian National Plantation Workers Federation, Silchar (Assam).	Labour	Cachar area (Assam)

7. The selection of the assessors was done in consultation with the principal interests concerned. The functions of Principal and Local assessors were advisory. The assessors (except Shri K. P. Tripathi who on account of his important public engagements elsewhere could not do so) accompanied the Commission on their tours in the respective planting regions, at considerable personal inconvenience to themselves. They helped the Commission to have a survey of a representative cross section of the industry in the different regions they visited, and to understand the nature of the problems facing the industry in different places. While the Commission are most grateful for the able and willing assistance and advice which they received from the assessors, and which they found most valuable for a proper appreciation of the complex problems confronting the three plantation industries, they wish to make it clear that the views expressed and the recommendations made in this report are the Commission's own.

Methods of inquiry—questionnaires

8. Soon after the appointment of the Commission was notified, draft questionnaires were prepared covering the different aspects of the three plantation industries and after informal consultation with the officials of the Tea, Coffee and Rubber Boards, State Governments, and important producers' and labour organisations, the questionnaires were finalised. Questionnaire I and the proforma attached to it were intended, in the case of each industry, to be answered primarily by managing agents, companies and proprietary concerns and individuals owning or managing Tea, Coffee and Rubber estates. Questionnaire II

(Tea) was intended to be answered by blenders, packers and other wholesale dealers in tea, and Questionnaire III (Tea) by the Tea Board, Governments of tea growing States and Tea producers' and traders' associations. Similarly Questionnaire II (Coffee) was intended to be answered primarily by Coffee dealers, roasters, blenders and other manufacturers of Coffee products, Questionnaire III (Coffee) by the Coffee Board, State Governments concerned and Coffee growers' and traders' associations, Questionnaire II (Rubber) by Rubber manufactures and Rubber manufacturers' associations, and Questionnaire III (Rubber) by the Rubber Board and the Rubber growers' associations. Though, for the convenience of persons who were required to answer the questions, the questionnaires were divided into three parts, it was made clear, in the circular letters with which the questionnaires were forwarded, that those who were in a position to furnish answers to questions appearing in questionnaires primarily intended for other sections of the industry, were welcome to do so. In the case of associations and authorities who, it was considered, would be in a position to answer certain questions falling in different questionnaires, their attention was drawn to the specific questions with which they were concerned and they were requested to furnish answers to them. Questionnaires and the covering letters with which they were issued will be found in Appendices II to IV.

9. Questionnaires were sent to managing agents, companies and proprietors owning 100 acres and above of Tea, Coffee or Rubber, to the relevant producers', manufacturers' and traders' associations, to Chambers of Commerce, Labour organisations, the statutory boards dealing with each of the three industries and the State Governments concerned. Adequate publicity was given in the Press about the issue of questionnaires and those interested were invited to send in memoranda or representations concerning the subject matter of the enquiry, if they wished to do so.

10. In Annexure I is summarised by categories the number of bodies or individuals to whom questionnaires were sent, and the number who replied. A classified list of associations and others from whom replies were received is given in Appendix V.

11. Questionnaires regarding Tea, Coffee and Rubber were issued on 24th August, 11th September and 18th September, 1954, respectively and replies were asked for by 1st November, in respect of Tea and by 15th November, 1954, in respect of Coffee and Rubber. Extension of time was requested by different associations on the ground that it was not possible for their members to complete the answers within the time given and extension was granted upto 31st December in the case of Tea and upto 15th December, 1954 in the case of Coffee.

12. Even so it will be observed from the figures given in Annexure I that the response was far from satisfactory in the case of Coffee and Rubber. The bulk of the replies were received after the due date; the data furnished by them have nevertheless been utilised for our studies to the extent possible.

Questionnaires to small growers

13. Questionnaire I and the proformas attached to it which, as already mentioned, were intended primarily for companies and proprietors growing Tea, Coffee or Rubber, were not sent to those holding less than 100 acres. The questionnaires called for a good deal of statistical information and could be satisfactorily answered only by those who keep regular accounts and registers in the usual course of their business. The Commission were given to understand that most of the estates having less than 100 acres in these industries were not likely to keep detailed accounts and registers regarding costs and may not, therefore, be in a position to furnish satisfactory replies to the questionnaire.

14. In the case of estates having planted area of less than 100 acres, a different procedure was, therefore, adopted. For them a very brief questionnaire was prepared in the form of a proforma in three parts A, B and C. In proforma 'A', information about cost of production was to be furnished, in proforma 'B' particulars of loans taken by estates, and in proforma 'C' information about sales of Tea, Coffee and Rubber lands. The proformas will be found in Appendices VI to VIII. In the case of Tea, the small holders are concentrated in the States of Assam, Tripura, Punjab, and Madras, and the enquiry about small holders of Tea was, therefore, confined to the estates in these States only. The State Governments were requested to get the proformas filled up in respect of a few selected estates with the help of the field staff of their Revenue or Co-operative Departments. Regarding Coffee, as the Coffee Board had their liaison and marketing staff, they were requested to collect the information in respect of a few selected estates, through the agency of their field staff. Likewise, the Rubber Board was also requested to select a few estates and have the information collected by their field officers. Elsewhere in the report we have made an analysis of the information gathered from the proformas.

Methods of investigation of costs

15. In our terms of reference amongst other things, we have been asked to examine the costs of production of the plantation crops in the different areas in the country. It is a well-known fact that in the case of agricultural industries, investigation regarding costs of production is a matter of very considerable difficulty. We made proforma 'C' attached to Questionnaire I as comprehensive as possible in the hope that information would be furnished in sufficient detail by the estates to enable us to examine them in a satisfactory manner. In view of the very large number of estates involved, it was impracticable to have any costing investigations made by departmental agencies covering all the estates. One hundred estates were, therefore, selected located in different regions, of different sizes and falling under different categories of ownership, for the purpose of investigation by Government Cost Accountants. Of these 60 were Tea estates, (40 in North India, 20 in the

South), 20 Coffee estates and 20 Rubber estates. The Chief Cost Accounts Officer, Ministry of Finance, Government of India, was requested to depute Cost Accountants to visit the estates and prepare costing statements with reference to the accounts maintained by them. Owing to various reasons, such as change of ownership and non-availability of accounts, certain of these estates had to be omitted. 45 Tea estates, 16 Coffee estates and 17 Rubber estates were actually costed by Government Cost Accountants. A list of them will be found at Appendix IX. These costing reports prepared by the Cost Accounts Branch were of great help to us.

16. In our discussions on cost structure we have made use of the information given in the replies to proforma 'C' as well as the reports of the Cost Accounts Officer.

Other sources of information

17. In addition to the replies received to the questionnaires and the Cost Accounts Officer's reports we also obtained a considerable amount of information on a wide variety of topics concerning the subject matter of our enquiry by addressing the State Governments, the Tea, Coffee and Rubber Boards, the Reserve Bank and the important associations of producers, brokers, curers, packers and others concerned with different aspects of the plantation industries. Earlier reports on subjects relating to plantations, published by Government, the Tariff Commission and the statutory bodies concerned with the industries, statistical publications of the International Tea Committee and by other associations and brokers were of considerable assistance to us.

Visits and interviews

18. After the questionnaires were sent out, tours of all the important planting areas were undertaken. We visited the planting areas of Assam Valley, Cachar, Tripura, the Dooars, Darjeeling District, Mysore, Coorg, Travancore-Cochin, Madras and Kangra Valley. In each area a few typical estates of varying sizes and resources, under different types of ownership, were visited and discussions were held with local representatives of employers and workers. The visits to estates in different localities enabled us to appreciate the varied problems which face the planters, big and small, in the different areas. 122 days were spent on tours in connection with this enquiry. Appendix X gives particulars of the tours, the places visited and the associations or persons interviewed.

Plan of the report

19. In the terms of reference given to us, we have been asked to investigate the economic conditions and problems of all the three plantation industries, Tea, Coffee and Rubber. The cultivation of Coffee and Rubber in the country is practically confined to the South. Many of the characteristics of these industries are basically similar, and in South India all the three crops are often cultivated in the same region and

sometimes in the same estate. We have, therefore, found it convenient to study the three industries more or less simultaneously. While there are certain basic similarities between the three industries, there are also certain differences, and each has problems peculiar to itself. We have, therefore, dealt with the three industries in three separate parts of our report.

The general plan of the report as regards each industry is based broadly on the terms of reference given to us.

Part I
TEA
CHAPTER I
GENERAL

India's place in the World of Tea

1. The Tea plantation industry occupies an important place and plays a very useful part in the national economy of India. Amongst the principal tea producing countries of the world, whose teas participate in international trade, India occupies the first place both in acreage and production. In Annexures II and III are given tables showing acreage planted with tea in principal producing countries and the quantities of tea produced in the past few years in those countries. Excluding China, Indo-China and U.S.S.R., more than a third of the world acreage and two-fifths of the world production were concentrated in India in the period before World War II. The Japanese occupation of Indonesia during the war in 1941 resulted in the exclusion of that country from the international tea trade for the time being. Important producing countries like India and Ceylon had consequently to increase production to try to satisfy the world demand. After the war, it was found that a great part of Indonesian acreage had temporarily gone out of production. Because of these factors, the proportion of Indian acreage and production to world acreage and production increased to some extent. The figures given in Table I are illustrative. In Annexures IV and V are given the figures of acreage and production of the important producing countries as percentages of world acreage and production, respectively.

TABLE I

Table showing India's share in the world acreage and production of tea

(Figures in columns 5 and 6 in thousand lbs.)

Year	India's Acreage	World Acreage	Per- centage of 2 to 3	India's Produc- tion	World Produc- tion	Per- centage of 5 to 6
1	2	3	4	5	6	7
1933	8,40,667	20,94,258	40.14	383,674	888,186	43.20
1939	8,40,004	21,88,547	38.38	466,103	1,071,910	43.48
1947	7,71,581	17,18,191	44.91	560,566	1,020,929	54.91
1952	7,87,678	19,44,113	40.52	613,600	1,280,606	47.91
1953	7,89,742	19,61,861	40.25	614,128	1,277,383	48.08
1954	8,04,847	19,87,076	40.50	644,100	1,394,365	46.20

NOTE.— Figures of India's acreage and production for the years 1933 and 1939 include those for areas now in Pakistan.

Acreage and Production relating to U. S. S. R. are not included under world acreage and production.

Figures of acreage in Formosa in 1939 being not available, 1938 figures have been taken to hold good for 1939 also.

Acreage and Production in Formosa and Argentina and Production in Iran in 1953 not being available, 1952 figures have been taken to hold good for 1953 also.

Figures for World Acreage do not include the area in Iran for which no information is available.

World Acreage and World Production in 1954 are estimated figures.

SOURCE.—Bulletin of Statistics—International Tea Committee and Tea Board.

2. Though the internal consumption of tea in India has been progressively increasing during the last few years, the major part of the Indian crop is exported. India figures as the largest single exporter of tea in the world. Table II shows the part played by India in International tea Trade since 1939.

***TABLE II**

Table showing quantities of tea exported from India as compared to the quantities exported by all the producing countries

(Figures of quantities in million lbs.)

Year	Quantities exported from India	Quantities exported from all producing countries including India	Percen tage of 2 to 3
1	2	3	4
1939	332	880	37.7
1940	353	922	38.2
1941	401	901	44.5
1942	334	658	50.8
1943	372	697	53.4
1944	454	775	58.6
1945	379	644	58.8
1946	299	630	46.0
1947	427	796	53.6
1948	349	775	45.0
1949	487	954	51.0
1950	400	874	45.8
1951	451	1,000	45.1
1952	410	911	45.0
1953	497	1,030	48.3
1954	446	1,146**	38.9

NOTE.—*Figures for India upto 1947, include those for the areas now comprising Pakistan.

**Provisional figures.

SOURCE.—International Tea Committee's Bulletin of Statistics.

The tea industry as an earner of foreign exchange

3. This large volume of exports gives the Tea industry a place of great importance in the Indian economy as a substantial earner of foreign exchange as will be seen from the tables III-A and III-B.

***TABLE III-A**

Table showing the values of exports of tea as compared to the total values of exports of all commodities in the years 1950-51 to 1954-55

(Value figures in cols. 2 & 3 in lakhs of Rs.)

Year	Total value of exports	Value of exports of tea	Percen- tage of 3 to 2
1	2	3	4
1950-51	5,96,79	80,42	13.51
1951-52	7,28,89	93,86	12.95
1952-53	5,72,61	80,88	14.11
1953-54	5,25,81	1,02,19	19.40
1954-55	5,78,03	1,47,06	25.40

NOTE.—*Figures relate to export by sea, air and land. Value figures for 1951-52 and later years are inclusive of export duty also.

SOURCE.—Monthly accounts relating to sea-borne trade of India and the Journal of Industry and Trade.

***TABLE III-B**

Table showing currency-area wise export of tea

(Value figures in cols. 2, 3 & 4 in lakhs of Rs.)

Year	U. S. A. & Canada	Others	Total	Percen- tage of 2 to 4
1	2	3	4	5
1950-51	12,24	68,18	80,42	15.2
1951-52	10,63	83,23	93,86	11.3
1952-53	10,11	70,77	80,88	12.5
1953-54	11,94	90,25	1,02,19	11.7
1954-55	17,80	1,29,26	1,47,06	12.1

NOTE.—*Figures relate to export by sea, air and land.

Figures of 1951-52 and later years include the values of export duty also.

SOURCE.—Monthly accounts relating to Sea-borne trade of India and the Journal of Industry and Trade.

The tea industry as a source of employment

4. While the part it plays as an earner of foreign exchange by itself makes tea an industry of great importance to our economy, the fact that it is what may be called a labour intensive industry providing gainful employment to large number of people, makes it particularly important to a country in which unemployment is one of the serious economic problems. The Tea plantation industry provides direct employment to more than a million workers in the country. The industry is thus the largest employer of organised labour. According to the latest figures available, in the year 1953, 970 thousand people were employed in the Tea industry, of which 915 thousand were permanent and 55 thousand temporary.

Contribution of the tea industry to national revenues

5. Tea being a commodity which is subject to direct taxation by way of excise duty, export duty and a cess under the Tea Act, the industry makes substantial direct contributions to Central revenues, the size of which can be seen from the table below:

TABLE IV

Table showing collection of central levies on tea

(Figures in cols. 2, 3 and 4 in thousands of Rs.)

Year	Export duty	Excise duty†	Cess
1	2	3	4
1951-52	10,20,87	4,36,28	*79,21
1952-53	10,61,78	3,40,41	**57,87
1953-54	11,61,90	2,07,14	91,68
1954-55	19,75,73	3,15,52	***1,37,91

NOTE.—†Excluding the amount transferred from the Union Excise Head to Customs Head of Account.

* Relating to October-September

** Relating to October-March.

*** Figures include Rs. 938 thousand pertaining to previous years credited to the accounts in 1954-55.

SOURCE.—Customs and Excise Revenue Statements, Department of Commercial Intelligence and Statistics and Tea Board.

6. Apart from contribution to Central revenues by way of commodity taxes mentioned in the previous paragraph, the Tea planting industry is subject to Central Income-tax, Super-tax (Corporation-tax) and in most of the tea growing States to Agriculture Income-tax also. Tables V and VI show the amounts paid by tea planting companies as Income-tax and Super-tax and Agricultural Income-tax of the States in the three years 1952-53 to 1954-55.

TABLE V

Table showing amounts of Income-tax and Super-tax paid by tea planting companies

(Figures in cols. 4, 5 and 6 in lakhs of Rs.)

Accounting year	Assessment year	No. of assessee's	Income	Income-tax	Super-tax
1	2	3	4	5	6
1951-52	1952-53	609	9,51.41	2,50.78	2,40.01
1952-53	1953-54	488	7,05.62	1,75.69	1,79.50
1953-54	1954-55	543	10,25.13	2,53.80	2,82.20

SOURCE.—Government of India, Ministry of Finance, Revenue Division.

TABLE VI

Table showing amounts of Agricultural Income-tax collected from tea planting companies and growers by the State Governments.

(Figures in lakhs of Rs.)

Name of State Governments	Amounts collected in each year		
	1952-53	1953-54	1954-55
1	2	3	4
Assam	1,07.2	93.2	1,10.9
West Bengal	34.6	35.7	72.2
Uttar Pradesh	0.7	0.4	1.9
Travancore-Cochin	46.7	35.6	57.4

SOURCE.—Figures furnished by State Governments.

7. We have made mention of the importance of the tea industry in India as an earner of foreign exchange, a large employer of labour and a substantial contributor of taxes to the national exchequer. But its importance does not end there. In the nature of things a large industry like this, is itself a substantial consumer of supplies manufactured and services rendered by other industries.

Tea as a supporter of the ply-wood industry

8. The Tea industry is the mainstay of the plywood industry in India. With small exceptions like the tea produced in the Kangra Valley, practically all the teas grown in the different areas in India are packed in the garden factories in plywood chests for despatch either to the sale centres in India or for export. With production averaging over 600 million lbs. of tea every year, the Tea industry would normally require over 5 million tea chests per year. A major part of this is now supplied by the Indian Plywood industry. The Plywood industry's total annual production in the year 1954 was about 78 million sq. ft., of which 64 million sq. ft. or 82% was taken up by the Tea industry.

Tea and the fertiliser industry

9. Another item which figures largely in the requirements of the Tea industry is fertiliser. Nitrogenous manures like ammonium sulphate have been found to be particularly effective in promoting leaf growth and the use of chemical manures is now widespread in the industry. Ammonium Sulphate, phosphatic manures and potash are all in common use in varying proportions. The total quantity of manures purchased by tea estates in 1954 was 82 thousand tons, valued at Rs. 2·86 crores. Of this 73 thousand tons, valued at Rs. 2·54 crores was of Indian manufacture.

Contribution of the tea industry to transport earnings

10. A large industry like Tea situated in areas remote from the ports and important centres of trade and consumption, naturally figures prominently in the earnings of transport organisations like Railways and River Steamship companies and in certain areas in North-East India, where communications are particularly difficult, even in the earnings of Air transport. In the year 1954 freight earnings of these respective means of transport from tea were 3·86 crores of rupees, comprising about Rs. 2 crores for Railways, Rs. 1·62 crores for River Transport companies, and Rs. 0·24 crores for Air Transport companies.

The contribution of the tea industry to the development of forest regions

11. The Tea planting industry has also played a valuable part in opening up and developing what were previously inaccessible jungles and forests. The areas retrieved and developed into flourishing tea-gardens were not areas where foodgrains could ordinarily have been grown. In the development of tea, an important commercial crop, there was, therefore, no question of a cash crop competing for land required for more essential food crops. Fortunately tea being a perennial crop grown under shade trees, the replacement of forests and jungles by tea does not to any extent lead to soil erosion and other evils, which are often the result of extensive denudation of forests for purposes of cultivation. In fact, the Government of Madras has supported the request of potato growers on the Nilgiris that they should be allowed to grow tea on areas cultivated with potatoes as potato cultivation, which involved the disturbance of the top soil, led to soil erosion. The State's Soil Conservation Board was worried over the problem and they considered that cultivation of tea, which is a perennial plant grown under shade trees, would mitigate the evil while ensuring an income to the cultivators.

CHAPTER II

GEOGRAPHICAL LOCATION OF THE TEA GROWING AREAS IN INDIA

Climates suitable for tea plantations

1. In the previous chapter we have considered the place India occupies in the world of tea as a producer and the important part the Tea industry plays in the economy of India. One of the important factors that helped the growth of the Tea plantation industry in India is the fact that there were extensive regions in the country with climate and soil suitable for tea culture. Mr. C. R. Harler in his publication "The Culture and Marketing of Tea" quotes from an earlier publication, the Tea Encyclopaedia, giving a vivid description of the climatic conditions favourable for the production of heavy crops of tea. "To describe the best tea climate in two words, we point out confidently to eastern Bengal. Indeed the judgment of a considerable portion of the Indian public interested in tea has long since pronounced the same decision. A hot moist climate where the thermometer in the shade never exceeds 95°F, never falls below 55°F, where the rainfall yearly aggregates 100-130 inches, where there is never any long drought but where rain falls at reasonable intervals all the year round, where heavy dews are frequent, where morning fogs are not uncommon, where the sun shines hot in an atmosphere perfectly free from dust, where at no season can a breath of hot wind be felt, where light penetrating-rain is more common than furious downpours, where the effect of the entire climate is essentially enervating to man and takes much out of him - these are the conditions that make a good tea climate and where it is wise to make tea gardens." (Eastern Bengal mentioned in the quotation refers to the present State of Assam). While this description apparently represents a climate most suitable for tea cultivation, it has to be recognised that tea is a hardy plant which grows under widely different conditions. In India, the tea growing regions are situated in the monsoon belt—Assam, West Bengal and the foothills of the Himalayas in the North, and the moist slopes and plateaus of the Western Ghats in the South. The climate and soil of these widely separated regions show great variations, the effects of which are naturally reflected in wide difference in productivity as well as cultural practices.

Tea regions in North-East India

2. The tea districts of North-East India lie in a triangle, the apex of which is in Sadiya in Assam. They could be classified into five distinct regions *viz.*, (1) Assam Valley, (2) the Surma Valley or Cachar, (3) Darjeeling, (4) Dooars and Terai, and (5) Tripura. Although the Assam Valley is surrounded by high mountains, almost the whole area is a level plain. Conditions are ideal for tea cultivation especially towards the east of the valley and we have here what is probably the largest concentration of tea in the world. In the Surma Valley, the tea areas

of Cachar are in long narrow valleys running to the Barak or Surma river. The country here is dotted with small hillocks or *teelas* interspersed with lowlying bits of flat land which are often water-logged and form *bheels*. The *teelas* and the *bheels*, where they have been drained, carry the tea in Cachar. Climatic conditions here are much less favourable for tea than in the Assam Valley. Tripura is geographically more or less a continuation of the Surma Valley. The lie of the land is the same as the rest of the Surma Valley but climatic conditions are probably more difficult due to droughts. The Darjeeling tea area is a hill district, the tea estates ranging in altitudes from about 1,000 to 6,000 ft. The Dooars and Terai form a long narrow strip adjacent to the Himalayas intersected by a number of hill streams which during monsoons often flood the area causing serious damage and interruption to communications.

The climate in North-East India

3. The climate in North-East India falls into three distinct seasons—cool and dry from November to February, hot and dry from March to May and hot and humid from June to October. During the heaviest cropping season in the plains districts the temperature ranges from 78°F to 90°F and the relative humidity is also high which is said to be good for tea. While a warm humid climate is favourable for rapid vegetative growth, lower temperatures are not to be ruled out as entirely unsuitable for tea culture. With a little lower temperature, the rate of growth of the leaf is slower. Conditions making for slow growth are said in general to improve the quality of the tea although there are various other factors such as the nature of the soil, which also influence quality. The lower temperatures obtaining in the elevated areas in Darjeeling district are said to account for the high quality of the teas grown there. The same considerations apply to high grown tea in the South.

4. In the tea districts of Assam, the annual rainfall varies from place to place, the average being about 100 inches. In the Dooars and Terai, the rainfall is about 140-160 inches and in Darjeeling about 120". Not only the quantum of rainfall and its distribution during the year but also the temperature during the drought periods, if they occur, are factors which affect tea culture. In Cachar a dry spell in April sometimes occurs seriously damaging the crops; the temperature during the drought season is higher than in other parts of Assam. Hurricanes, sometimes accompanied by hailstorms, blow during the months of March and April causing considerable damage.

Other tea areas in North India

5. Apart from the main tea areas of North-East India mentioned earlier, the other areas of tea cultivation in North India are Ranchi, Dehra Dun and the Kangra Valley, three widely separated regions. Comparatively speaking they are small in extent and production. The Ranchi tea gardens are situated on Chota Nagpur plateau about 2,000 ft. above sea level. The soils are regarded as poor. The yield is also poor.

6. The Dehra Dun teas are situated in the valley between the Himalayas and the Siwalik hills. Here the soils resemble that of Assam tea areas. A fair crop is gathered, most of it being converted into green tea and sold in Amritsar and Calcutta. Besides Dehra Dun, Almora and Garhwal have also a few hundred acres of tea.

7. The Kangra Valley teas are by and large in a weak condition. The valley lies in the foothills of the Himalayas in the Punjab. The climate is said to be too cold and the rainfall unevenly distributed for successful tea growth. The leaves are made into green tea and sold at Amritsar. A small area of tea is also cultivated in Mandi in Himachal Pradesh adjoining Kangra.

Tea regions in South India

8. The tea districts of South India are located in the hills and slopes of the Western ghats. The Nilgiri hills lie north of the Palghat gap and is an important tea area. The Nilgiri-Wynaad and Malabar-Wynaad tea districts are situated on the strip between Nilgiris and the Malabar Coast at an average elevation of about 3,000 ft. South of the Palghat gap lie the Anamalai and Cardamon hills. On the slopes of the Anamalai hills lies the Anamalai tea district. The Kannan Devans are situated higher up the hills in Travancore-Cochin at an elevation averaging about 5,000 ft. In South Travancore the elevation is lower, while in the Peermade plateau in Central Travancore, the tea estates are at altitudes averaging about 3,000 ft. Nearly a half of the tea in South India was planted in the early part of the century using Assam seeds. The remainder is old China hybrid. As in the case of Darjeeling high grown teas, South Indian teas owe their quality to the high elevation and slow growth. A small area of tea is also grown in Coorg (430 acres) and in Mysore (about 4,200 acres).

Yield and production in the tea regions of India

9. Table VII gives the area under tea, total production and the yield per acre in each of the regions described above:

TABLE VII

Table showing area under tea, total production and yield per acre in each of the tea regions in 1953-54

Region	Tea area (in acres)	Production of tea (in lbs.)	Yield Per acre (in lbs.)
<i>North India</i>			
Assam	3,12,878	279,252,453	892.66
Cachar	73,219	42,368,922	578.66
<i>West Bengal—</i>			
Darjeeling	40,904	14,265,961	348.80
Dooars and Terai	1,55,333	146,162,270	940.90
Tripura	12,012	3,799,778	316.30

Region	Tea area (in acres)	Production of tea (in lbs.)	Yield per acre (in lbs.)
<i>*Bihar—</i>			
Purnea	2,368	2,203,350	930.40
Ranchi	1,326	211,181	159.10
<i>*Uttar Pradesh—</i>			
Dehra Dun	4,728	1,459,317	308.60
Almora and Garhwal	533	35,866	67.30
<i>Punjab—</i>			
Kangra	9,607	1,757,480	182.90
<i>Himachal Pradesh—</i>			
Mandi	1,060	230,583	217.60
<i>South India</i>			
<i>Madras State—</i>			
Anamalais	25,185	25,209,505	1,001.00
Nilgiris	29,632	18,189,126	614.00
Nilgiri-Wynaad	14,377	9,907,615	689.00
Malabar-Wynaad	12,675	8,827,796	696.00
Rest of Madras	2,547	1,741,273	683.76
Coorg	432	279,133	646.00
Mysore	4,219	2,014,295	477.00
Travancore-Cochin	83,282	56,750,518	681.42

NOTE.—*Figures furnished by Directorate of Economics and Statistics.

SOURCE.—Tea Board.

10. It will be seen from Table VII that in North India, Dooars and Terai region of West Bengal has the highest yield per acre and Ranchi the lowest excluding Almora. In Kangra the yield is nearly as low as that in Ranchi. Dehra Dun has also a poor yield compared to Dooars and Terai. The yields in Darjeeling are also comparatively low owing to high elevation and in Cachar owing to various adverse factors.

11. In South India the yield is highest in Anamalais. The average yield of the other regions is below that of Assam. Unlike North India, tea is made throughout the year in the South. Plucking goes on all the year round in the South though the quantity of leaf picked is by no means uniform.

12. During our tours, we visited representative areas in Assam, Cachar, Tripura, the Dooars, Darjeeling, Terai, and the Kangra Valley in the North, and the Nilgiris, Wynaad, Anamalais and the tea areas of Travancore-Cochin State in the South. Each region has problems of its own, which we shall discuss in greater detail in later chapters.

CHAPTER III

THE STRUCTURE OF THE TEA INDUSTRY IN INDIA

Development of tea industry—Historical

1. Both the historical circumstances in which the Tea industry in India developed as well as the general characteristics of the product itself have helped to shape the present structure of the industry in the country. After the loss by the East India Company in 1833 of their monopoly of the China tea trade, the British turned their attention in earnest to the cultivation of tea in India on a commercial scale. The plant, though indigenous to Assam, had not been cultivated for use in India previously. There were, therefore, no farmers or peasants already engaged in the cultivation of tea in the country. The British pioneers of the industry, whether individuals or companies, began to develop the industry in comparatively large units or plantations. Land, the first essential for the development of any agricultural industry, was not a problem at that time. Extensive areas of uninhabited jungle and forest lands which could be made suitable for tea culture after necessary development, were available in those regions where the industry has since taken firm root. Land grants were made by Governments to those who wanted them at a price which was hardly more than nominal, and allotments were taken up in extensive blocks. The terms and conditions under which land was granted for tea cultivation by different State Governments will be found in Appendix XI.

General characteristics of the tea plantation industry

2. Tea plantations are essentially large agricultural undertakings but they also have certain industrial characteristics. They employ a large labour force which is mainly resident on the estates and under the control of a more or less elaborate management. As the tea plantation areas in India were in the initial stages sparsely populated, the workers in the industry had to be recruited from considerable distances. In Northern India a majority came from Bihar and Orissa and in South India from the plains districts. Most of them belonged to scheduled tribes or scheduled classes. As the climatic conditions were difficult and the areas were largely malarial, the workers had to suffer a great deal.

3. The establishment and operation of plantations require investment of capital on a large scale. The tea bushes have to be tended for a period of 5-10 years before they can be expected to yield an economic return. Modern technical equipment is necessary for processing the product. It has been variously estimated that to be economic, a tea factory should have at least about 10,000 maunds of green leaf to deal with in a year and this would indicate that anything from 250 acres to 300 acres of tea, depending on the yield per acre, would be necessary to support a factory. Further, an outstanding feature of the tea plantation economy is that a very large proportion of tea has from

the very commencement of the industry been sold in an international market and this has made it necessary to have a well knit marketing organisation also.

4. The requirements of capital, technical equipment and an organised marketing service explain why, by and large, the units of production in the Tea industry have taken the shape of comparatively large estates or plantations instead of small holdings; the areas of the estates themselves, however, vary within wide margins, and there are also in certain regions a very large number of small holdings with problems peculiar to themselves. Even in the case of small holdings the solution of their problems lies in the direction of organising co-operative societies for production, manufacture and marketing, so that they also can have the economic strength and advantages which large estates enjoy. We shall revert to this later.

Annexure VI shows State-wise the number of estates arranged according to acreage.

Distribution of land held by tea estates

5. In Table VII we have already indicated the registered area under tea in various States. These represent areas in which tea is actually grown. In most regions, the tea estates hold lands in considerable excess of the areas which actually bear tea. Much of this land is unsuitable for tea culture and better fitted for growing rice or other crops. Such land known as *Khet* is allotted to labour for personal cultivation in North-East India. In most regions, a good proportion of the surplus land also supports jungle which provides firewood, bamboo and thatch, and provides space for the grazing of cattle and other amenities needed by rural communities. In the planting regions the gardens or estates with their large resident labour population do constitute such rural communities.

Annexure VII indicates the position regarding lands held by estates and the uses to which they are put.

We shall now examine the various types of management and ownership prevalent in the industry and their relative importance.

Classification of estates by types of ownership

6. Tea estates can be broadly classified under the following heads according to type of ownership :—

1. Small holdings which may be anything from 1 to 100 acres in extent owned by proprietors. This again may be sub-divided into
 - (a) those where only cultivation of tea is carried on and green leaf is taken to a neighbouring factory for manufacture,
 - (b) those where both cultivation and manufacture of tea are undertaken.
2. Estates over 100 acres which are owned by proprietors (Indian or Non-Indian) and having facilities for manufacture of tea.

3. Estates owned by limited liability companies registered in India with rupee capital (controlled by Boards of Directors whether Indian or Non-Indian). This again may be further sub-divided into Public Limited and Private Limited Companies.
4. Estate owned by limited liability companies with rupee capital managed by managing agents (having a mixed Board of Indians and Non-Indians and mixed share-holdings by Indians and Non-Indians).
5. Estates owned by limited liability companies registered in U. K. with Sterling capital.

Classification by control (Indian and Non-Indian)

7. A further distinction can be drawn based on the nature of control as distinguished from ownership. The type of control is represented by the nationality of the majority of the members of the Board of Directors, and the nature of ownership is represented by the nationality of the majority of the share-holders. Where the companies are under managing agents the real control can be said to vest with the managing agency company and, therefore, the type of control of the company would be determined by the nationality of the Board of Directors of the managing agency company.

8. The classification under Indian and Non-Indian has been made on this two-fold basis:—

A company has been classified as Non-Indian, when the majority of shares are held by Non-Indians and the board is also predominantly Non-Indian. When the majority of shares are held by Indians, and the board is predominantly Non-Indian, it has been classified as partly Indian and Partly Non-Indian. When the majority of the shares are held by Indians and the board is also predominantly Indian, the company has been classified as Indian. In the case of managing agents, a company has been classed as Indian or Non-Indian depending on the nationality of the majority of the Directors on its board.

It has, however, to be borne in mind that in a company whose shares are bought and sold in the stock exchange, the composition of the share-holders is not a static factor; as result of changes in the ownership of shares, changes in the composition of boards will also result. Our classification will, therefore, be relevant only for the period of the inquiry.

Reported companies classified under the above heads

9. We have thus the following classifications for the purpose of our analysis:—

- A. *Sterling Companies—Controlled by Secretaries or Managing Agents etc.*
- B. *Rupee Companies—Controlled by Non-Indian Managing Agents.*
 - (i) Non-Indian.
 - (ii) Partly Indian and Partly Non-Indian.
 - (iii) Indian.

C. Rupee Companies—Controlled by Indian Managing Agents.

(i) Indian.

(ii) Partly Indian and Partly Non-Indian.

D. Rupee Companies—Controlled by Board of Directors.

(i) Public Limited (Predominantly Indian).

(ii) Private Limited (Predominantly Indian).

(iii) Private Limited (Predominantly Non-Indian).

E. Proprietary and Partnership Concerns

(i) Indian.

(ii) Non-Indian (with Rupee and Sterling Capital).

10. The companies which have submitted replies to our questionnaire cover in all an area of 6.34 lakh acres. The table below shows the area covered, the number of companies and the number of estates in each of the classes mentioned above.

TABLE VIII

Table showing the number of companies and number of estates and their area classified under the various groups

Type of ownership/ Management	Number of Estates	Number of companies/ concerns	Acreage under Tea	Proportion of col. 4 to total of A to E
1	2	3	4	5
A. Sterling Companies:				
Controlled by Secretaries/Agents	449	129	3,98,783	62.93
B. Rupee Companies Controlled by Non-Indian Managing Agents :				
1. Non-Indian	53	46	37,844	5.97
2. Partly Indian and Partly Non-Indian	108	69	68,642	10.83
3. Indian	5	2	566	0.09
C. Rupee Companies Controlled by Indian Managing Agents :				
1. Indian	79	58	33,778	5.33
2. Partly Indian and Partly Non-Indian	14	13	8,799	1.39
D. Controlled by Board of Directors :				
1. Rupee Public Ltd. (Indian)	77	67	51,242	8.09
2. Rupee Private Ltd. (Indian)	31	25	8,774	1.38
3. Rupee Private Ltd. (Non-Indian)	1	1	345	0.05
E. Proprietary and Partnership Concerns :				
1. Indian	62	51	18,753	2.96
2. Non-Indian (Rupee)	13	10	3,092	0.48
3. Non-Indian (Sterling)	5	5	3,020	0.50
TOTAL A to E	897	476	6,33,638	100.00

11. The replies received cover 84 per cent of the total area under tea (excluding estates under 100 acres) of which Sterling companies form 62.9 per cent, the Non-Indian rupee companies 16.9 per cent and the Indian rupee companies another 16.2 per cent and the proprietary concerns the remaining 4 per cent of which about one-third is held by Non-Indians. It has been verified by reference to the Indian Tea Association in North India and the United Planters' Association of Southern India in the South that the replies received fully cover the Sterling companies. Practically all the Non-Indian rupee companies had also furnished replies. Companies which have not furnished replies are mostly Indian owned rupee companies. On this basis the picture of the industry as a whole, Indian and Non-Indian, is shown in Annexure VIII. As regards small-holdings *i.e.*, estates under 100 acres, their number region-wise as furnished by the Tea Board is given in Annexure IX.

Control by Agents/Managing Agents/Secretaries

12. As mentioned earlier, the Indian Tea industry was initiated and developed in India by British enterprise under the patronage of the Government of India primarily to cater to the needs of the consumer in Great Britain. The original capital for creating this industry was almost wholly found in the United Kingdom. The typical unit of the industry took the shape of a Sterling company in U. K. owning plantations in India. The predominance of the Sterling capital companies continues to this day. A company located in London usually has agents or secretaries in Calcutta to carry out the policy laid down by the Board of Directors. Many of the companies have visiting agents who are generally experienced planters and it is their report that gives the members of the board in London an up-to-date picture of the conditions in the estate.

13. These agency companies in Calcutta have also sponsored plantation companies registered in India with rupee capital either to take over some of the Sterling estates or to start new ventures of their own. Thus has come about the large number of rupee companies managed by the same agency houses who look after the Sterling companies' interests.

With the development of joint stock enterprise in India, Indian business houses have also begun to take an increasing part in the plantation industry. The earliest Indian owned tea plantation is said to date from 1876. But even today their share in the industry is comparatively small.

Concentration of control of production

14. Thirteen leading agency houses in Calcutta control over 75 per cent of the tea production in North India; out of these 7 companies control more than 50% and 5 companies as much as 36% of the production (Annexure X). Some of these agency houses, however, now have a large number of Indian share-holders and in some cases an equal number of Indian and Non-Indian members on the Board of Directors. In Annexure XI is given an analysis of the distribution of shares and the number of Indians and Non-Indians on the board of a few leading agency houses in Calcutta in the Tea industry.

Voluntary organisations of producers

15. The producers, whether companies or proprietors, have formed themselves into voluntary organisations to look after their common interests. A list of these organisations showing their membership and acreage will be found in Appendix XII. The existence of these organisations enables the producers in each group to devise and adopt common policies regarding problems which affect them, to arrange on a common basis for supplies of essential articles when necessary, and also to represent the views of the industry on a collective basis to Governments and other administrative authorities. Also in the matter of scientific research, as we shall discuss later, two of the associations, the Indian Tea Association and the United Planters' Association of Southern India, have organised experimental stations, of which the one at Tocklai is of outstanding importance.

Organisations of tea distributors

16. Like the producers of tea, the distributors of tea are also organised. A list of tea trade organisations will be found in Appendix XIII. If tea production is to a great extent controlled by a few managing agency houses in Calcutta, its sale is largely controlled by the tea traders' associations who conduct the auctions in Cochin and Calcutta. The committee of the Calcutta Tea Traders' Association consists of the four leading brokers of Calcutta, four nominees of the producers and four nominees of buyers. Figures gathered by the Commission indicate that eight agency houses of producers in Calcutta with their associate firms purchased over 50% of tea at the Calcutta auctions in 1954. When we consider the retail distribution of tea in India, we see that 85% of it is controlled by two leading firms.

In an industry in which capital is so largely in the hands of foreign business houses and 75% of whose production is controlled directly by a limited number of agents of these foreign firms and whose produce is sold largely to the same foreign country and in many cases through the same agents, it is inevitable that there should be a high degree of concentration.

Tea control

17. Tea is one of the industries, which by an Act of Parliament comes under the control of the Union Government. The Tea Board set up under Section 4 of the Tea Act, consists of a chairman and 40 members appointed by Government, representing the different sections interested in the industry. The functions of the Board are very wide (Annexure XII). The Board which was constituted under the present Act on 1st April 1954 succeeded the Central Tea Board and the Indian Tea Licencing Committee which functioned respectively under the Central Tea Board Act, 1949 and the Indian Tea Control Act, 1938, which were repealed. The activities of the two previous bodies had been confined largely to regulation of tea cultivation and export of tea as required by the International Tea Agreement then in force, and promotion of tea consumption. There are many other problems of the industry which need the Board's attention, as we shall see later, and the field of useful activity open to the Tea Board is a vast one.

CAPITAL STRUCTURE

We have indicated in the last chapter the different types of ownership and control that prevail in the Tea plantation industry. We shall examine in this chapter the amount of capital invested in each of the above types, its growth in the past few years and also assess the capital invested by Indians and Non-Indians separately in the industry.

Sources of information

2. The replies to proforma 'A' of our questionnaire and the balance sheets sent by the companies give us material for evaluation of the capital (Rupee and Sterling) invested by them. Proforma 'A' gives figures for authorised and paid-up capital (i) at the time of formation of the concerned companies (ii) on the 30th June 1939, and (iii) on the 30th June 1954. It also gives figures of share-holdings according to types of investors *viz.* (a) Managing Agents/Secretaries etc. (b) Institutional Investors, and (c) Individuals—Indian/Non-Indian.

Limitations of data

3. Some adjustments and approximations had to be made in working out the figures of investment for certain types of companies. They are briefly set out here. Some of the Sterling companies have interests in tea plantation not only in India but also in other countries. These companies were asked to estimate the investment attributable to their plantations in India and they have made an allocation on the basis of their planted acreage in India as related to the total planted acreage owned by them. This is at best a very rough estimate, since their paid-up capital per acre cannot obviously be the same in all the countries. But as the number of companies falling in this category is not large, (covering an area of 48,221 acres only) the error cannot be of a high order. In South India a large number of companies in the Tea industry are engaged in the production of other crops like coffee and rubber. In their case, although they were asked to estimate the portion of their invested capital attributable to tea only, many of them have pleaded inability to make any kind of reasonable allocation. Some have made an allocation on the basis of acreage of the respective crops. We have, however, determined the investment on the basis of the net worth per acre as arrived at from a study of the balance sheets of similarly placed companies having tea, rubber or coffee plantations only. This worked to a ratio of 2:1:1 for tea, coffee and rubber respectively.

4. While particulars regarding paid-up capital were available in all the returns, information about the holdings of the shares as between Indians and Non-Indians and according to classes of investors *viz.* Managing Agents, Institutional Investors etc. was not available in some.

In making use of the available data, the following assumptions have been made:—

Share-holdings in the tea companies of Managing Agents and Secretaries functioning in India but having head offices abroad have been taken to be Non-Indian investment. Likewise, the share-holdings of Managing Agents incorporated in India but whose Board of Directors are predominantly Non-Indian, have also been taken to be Non-Indian investment. The shares held by Managing Agents whose Boards of Management are predominantly Indian, have been treated to be Indian investment. In the absence of further details, the shares held by Institutional Investors in Sterling companies are taken as Non-Indian investment. Similarly, shares held by Institutional Investors in all Rupee companies have been taken to be Indian unless otherwise clearly specified in the returns.

The trend in Share-holdings 1939—54—overall trend

5. In the last chapter, we have discussed the classification of tea companies based on ownership and control. Our analysis of the capital structure of tea companies is based on the same classification. Tables IX-A and IX-B give particulars of holdings of shares as on the 30th June 1939 and 30th June 1954 of 308 companies classified as stated above covering 5.25 lakh acres (*i.e.* 78.7% of the area held by Joint Stock tea plantation companies).

TABLE IX A

Table showing Paid-up capital with particulars of share-holdings of 308 tea companies as on the 30th June 1939

(In Thousands of Rs.)

Type of Ownership	Number of Cos.	Acreage	Managing Agents		Institutional Investors		Individuals		Total Paid-up Capital	Percent of shares held by	
			Indian	Non-Indian	Indian	Non-Indian	Indian	Non-Indian		Indian	Non-Indian
1	2	3	4	5	6	7	8	9	10	11	12
A. Sterling Companies (Controlled by Managing Agents/Secretaries etc.)											
	116	3,69,988	..	41,60 (1.9)	..	3,20,97 (14.5)	5,60 (0.3)	18,43,80 (83.3)	22,11,97 (100)	0.25	99.75
B. Rupee Companies : Non-Indian Managing Agents Control—											
Non-Indian	23	15,936	..	12,86 (9.9)	2,34 (1.8)	..	11,58 (8.9)	1,02,69 (79.4)	1,29,47 (100)	26.40 73.60	
Partly Indian and Partly Non-Indian	62	62,423	..	42,66 (12.6)	33,15 (9.8)	2 (0.01)	90,38 (26.5)	1,73,49 (51.09)	3,39,70 (100)		
Indian	1	173	..	..	..	..	3,00 (100)	..	3,00 (100)		
Private Ltd., Non-Indian Control **.	1	3,677	..	..	..	..	..	48,43 (100)	48,43 (100)		

	1	2	3	4	5	6	7	8	9	10	11	12
<i>C. Rupee Companies:</i>												
<i>Indian Managing Agents</i>												
<i>Control —</i>												
Indian . . .	32	15,237	1,06 (1.4)	..	..	2,24 (2.9)	..	67,49 (86.8)	6,93 (8.9)	77,72 (100)		
Partly Indian and Partly Non-Indian	11	12,947	8,36 (22.4)	..	..	58 (1.5)	..	5,28 (14.2)	23,17 (61.9)	37,39 (100)		
<i>Outside Managing Agents</i>											84.23	15.77
<i>Control* —</i>												
Public Ltd., Indian Control . . .	53	42,191	†5,68 (4.9)	..	..	93 (0.8)	..	1,00,18 (86.9)	8,55 (7.4)	1,15,34 (100)		
Private Ltd., Indian Control . . .	9	2,826	†13 (0.9)	..	..	..	..	14,49 (99.1)	..	14,62 (100)		
TOTAL . . .	308	5,25,298	15,23 (0.5)	97,12 (3.3)	39,24 (1.4)	3,30,99 (10.7)	2,98,00 (10.0)	22,07,06 (74.1)	29,77,64 (100)	11.84	88.16	

N.B. Figures in brackets are percentages to the total paid-up capital (*cf.* col. 10)

† Refers to holdings by Managing Directors.

* Also referred to as "Director Controlled" in this and subsequent chapters.

** Outside Managing Agency Control.

SOURCE: Replies to Questionnaire.

TABLE IX-B

Table showing Paid-up capital with particulars of share-holdings of 308 tea companies as on the 30th June 1954

(In Thousands of Rs.)

Type of Ownership	Number of Cos.	Acreage	Managing Agents		Institutional Investors		Individuals		Total Paid-up Capital	% of shares held by	
			Indian	Non-Indian	Indian	Non-Indian	Indian	Non-Indian		Non-Indian	Indian
1	2	3	4	5	6	7	8	9	10	11	12
A. Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)											
	116	3,69,988	..	61,12 (2.5)	..	6,12,92 (24.6)	18,59 (0.7)	18,00,80 (72.2)	24,93,43 (100)	99.3	0.7
B. Rupee Companies: Non-Indian Managing Agents Control—											
Non-Indian	23	15,936	..	41,17 (29.3)	6,64 (4.7)	..	28,88 (20.2)	55,45 (45.8)	1,42,14 (100)	51.0 49.0	
Partly Indian and Partly Non-Indian	62	62,423	..	66,89 (13.1)	84,20 (16.5)	..	2,22,73 (43.6)	1,36,98 (26.8)	5,10,86 (100)		
Indian	1	173	—	..	..	..	3,00 (100)	..	3,00 (100)	48.43 (100)	
Private Ltd., Non-Indian Control*	1	3,677	..	..	..	..	..	48,43 (100)	48,43 (100)		

1	2	3	4	5	6	7	8	9	10	11	12
<i>C. Rupee Companies:</i>											
<i>Indian Managing Agents</i>											
<i>Control —</i>											
Indian . . .	32	15,237	6,62 (4.2)	..	6.94 (4.4)	..	1,35.67 (86.5)	7.66 (4.9)†	1,56,89 (100)		
Partly Indian and Partly Non-Indian.	11	12,947	19.57 (41.5)	..	4.04 (8.6)	..	13.97 (29.6)	9.59 (20.3)	47.17 (100)		
<i>Outside Managing Agents</i>											
<i>Control†—</i>										6.6	93.4
Public Ltd., Indian Control . . .	53	42,191	**7.00 (2.7)	..	7.21 (2.7)	..	2,33.55 (88.9)	15.15† (5.7)	2,62,91 (100)		
Private Ltd., Indian Control . . .	9	2,826	**1.3 (0.5)	..	..	..	26.06 (99.5)	..	26.19 (100)		
TOTAL . . .	308	5,25,298	33.32 (0.9)	1,69,18 (4.6)	1,09,09 (2.9)	6,12,92 (16.6)	6,82,45 (18.5)	20,84,06 (56.5)	36,91,02 (100)	77.7	22.3

NOTE.—Figures in brackets are percentages to the total of paid-up capital (*cf.* col. 10)

* Outside Managing Agency Control.

† Also referred to as "Director Controlled" in this and subsequent chapters.

** Refers to holdings by Managing Directors.

‡ Non-Indian holdings in Indians companies in 1954 refer mainly to Pakistani national holdings.

SOURCE : Replies to Questionnaire.

The paid-up capital of the companies in tables IX-A and IX-B shows an increase of 23% from 1939 to 1954. The trend in share-holdings is brought out in the table below:—

TABLE X

Table showing trend in share-holdings of 116 sterling and 192 rupee companies 1939-53

Share-holdings	(in percentage)					
	1939		1953		Increase or decrease	
	Indian	Non-Indian	Indian	Non-Indian	Indian (4-2)	Non-Indian (5-3)
1	2	3	4	5	6	7
Secretaries and Managing Agents	0.5	3.3	0.9	4.6	0.4	1.3
Institutional Investors	1.4	10.7	2.9	16.6	1.5	5.9
Individuals	10.0	74.1	18.5	56.5	8.5	—17.6
TOTAL	11.9	88.1	22.3	77.7	10.4	—10.4

NOTE. —Figures in Cols. 2 to 5 are the share holdings of secretaries etc. related to the total share capital of the companies.

The figures of shareholdings in Table IX reveal an over-all fall of 10.4% in the shareholdings of Non-Indian sector and a corresponding rise in the Indian sector. There has been a fall of 9.1% in total Individual shareholdings off-set by an increase in the holdings of Institutional Investors and Managing Agents. The fall in Non-Indian Individual shareholdings is 17.6% but the rise in Indian Individual holdings is only 8.5%, the remaining having gone to increase the holdings of Managing Agents and Institutional Investors. The position in regard to Individuals' holdings in the different types of companies is given below.

Holding of individuals analysed by Classes of companies

6. In Sterling companies the fall in Non-Indian Individual shareholdings has been 11.11%. In 1939 Indian holdings of Sterling share was only 0.3%. This increased to 0.7% in 1954. While there was thus an overall fall in Individual holdings of 10.7%, it was off-set by an increase of 10.1% under Institutional Investors and 0.6% under Secretaries. In Rupee Non-Indian companies under Non-Indian Managing Agents, there has been a steep fall of 33.6% in Non-Indian Individual holdings from 79.4% to 45.8% while Indian Individual holdings have increased by 11.3%. Likewise in companies which are partly Indian and under Non-Indian Managing Agency, Non-Indian Individual holdings have shown a fall of 24.29% while Indian Individual holdings have increased by 17.1%. In the case of partly Indian companies under Indian Managing Agency, there has been a fall in the Non-Indian Individual holdings of 41.6% and an increase in the

Indians holdings to the extent of 15·4%. Under *Director-controlled Public Limited Indian companies there has been a slight fall in the Non-Indian Individual holdings, from 7·4% to 5·7%.

Managing Agents' Holdings of Shares

7. Between 1939—54 there has been an increase of 1·7% in the share-holdings by the Managing Agents in all the groups taken together. Under Individual groups, the increases are very significant in the case of some and moderate in the case of others. In the case of Sterling companies, the increase was only 0·6%. In the case of companies under Non-Indian Managing Agencies, there has been an increase of 19·4% in respect of Non-Indian companies and only a nominal increase of 0·5% in respect of partly Indian companies. So far as the Indian Managing Agency houses are concerned their share-holdings show a slight increase of 2·8% in respect of Indian companies but a substantial increase of 19·1% in the case of partly Non-Indian companies.

Share, holdings by institutional investors

8. The share holdings by Institutional Investors show a rise of 10·1% in the case of Sterling companies, 2·9% in Non-Indian companies and 6·7% in the partly Indian companies under Non-Indian Managing Agents. In Indian companies under Indian Managing Agents, there has been an increase of 1·5% and in partly Non-Indian companies under Indian Agents, there has been a rise from 1·5 to 8·6%. In the Director-controlled Indian companies there has been a small increase from 0·8 to 2·7%.

Total invested capital paid-up plus reserves

9. The capital invested by Joint Stock companies should be viewed not only with respect to their paid-up capital but also with respect to their reserves. It is the sum of paid-up capital and reserves that represents the shareholders' equity. From a study of the balance sheets of the companies, we have made an assessment of the capital invested, taking reserves also into account; these results are shown in Annexure XIII separately for Sterling and Rupee companies. The reserves that have been taken into account for this purpose comprise all reserves of the company including balance of profit carried forward but exclude taxation reserves and reserves that have been specifically funded outside the business. The total paid-up capital and reserves of the reporting **companies amount to Rs. 95·03 crores of which Rs. 54·04 crores represent paid-up capital and Rs. 40·99 crores, reserves.

The position in the industry of Sterling companies

10. We have already seen that the Sterling companies hold a place of predominance in the industry. They cover an area of 3,98,783 acres and account for a production of 345 million lbs. of tea. Thus they represent about 50% of area under tea in India and account for about 54% of production. Their paid-up capital amounts to Rs. 32·7

NOTES.—* See foot-note under Table IX-B.

**Certain companies while not giving replies to questionnaires furnished copies of their Balance Sheets for 1953. The capital and reserves of these companies have been included for the purpose of ascertaining the investment of tea companies as on 30th June 1954.

crores and their total reserves to Rs. 28.9 crores (excluding taxation reserves). The capital invested in Sterling estates works out to Rs. 61.6 crores ; of this only 0.7% can be regarded as Indian on the basis of the proportion worked out for the companies in Table IX-B.

Rupee Non-Indian companies

11. In the Rupee companies covering an area of 2.46 lakhs acres, 1.10 lakhs acres are accounted for by Non-Indian controlled companies having a production of 87.7 million lbs. (13.7% of the total production in India). Their paid-up capital is Rs. 9.5 crores and reserves Rs. 6.18 crores making a total of Rs. 15.68 crores of invested capital. Out of this Rs. 1.36 crores represent investment in subsidiaries by holding companies in U.K., and may be taken as wholly Non-Indian investment. 51.0% of the balance can be taken to be Non-Indian shareholding and the remaining 49% as Indian. These figures have been arrived at on the basis of the proportion of share capital owned by Indians and Non-Indians as already analysed for the 308 companies which had given separate figures of shareholdings by Indians and Non-Indians (*vide* Table IX-B).

Indian companies

12. The invested capital of Indian Rupee companies covering an area of 1.36 lakhs acres is Rs. 17.75 crores of which 6.6% or Rs. 1.17 crores can be taken to be Non-Indian on the basis of Table IX-B.

Investment in all the reporting companies

13. For the total coverage of 6.45 lakhs acres of tea, the estimated capital invested Indian and Non-Indian separately is given below for the year ending 30th June 1954.

TABLE XI

Table showing capital invested in Reporting Tea Companies as on 30-6-1954

(in crores of Rs.)

Type of Company	Indian			Non-Indian			Total		
	Paid-up Capital	Reserves	Total	Paid-up Capital	Reserves	Total	Paid-up Capital	Reserves	Total
A. Sterling Companies .	0.23	0.20	0.43	32.47	28.70	61.17	32.70	28.90	61.60
B. Rupee Non-Indian .	4.41	2.61	7.02	5.09	3.57	8.66	9.50	6.18	15.68
C. Rupee Indian .	11.06	5.52	16.58	0.78	0.39	1.17	11.84	5.91	17.75
TOTAL	15.70	8.33	24.03	38.34	32.66	71.00	54.04	40.99	95.03

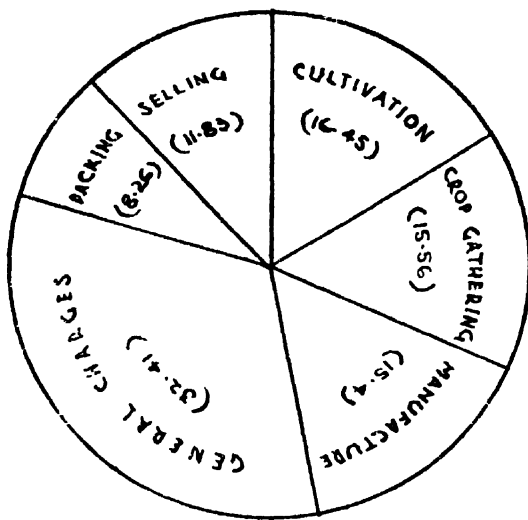
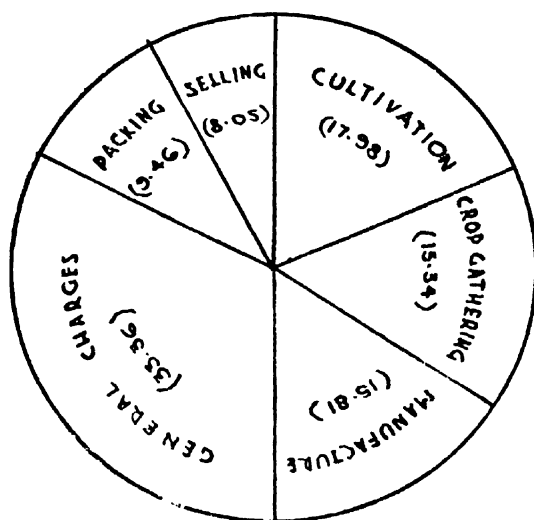
NOTE.—A, B and C refer to the same grouping of companies as indicated in Table IX-B.

The total capital investment of the reporting companies covering 6.45 lakh acres (95.9%) of the total area under Joint Stock tea companies thus amounts to Rs. 95.03 crores of which Rs. 71 crores (74.7%) is Non-Indian investment and Rs. 24.03 crores (25.3%), Indian.

PROPORTION OF VARIOUS HEADS OF COSTS TO TOTAL COST

1950

1953



TOTAL COST OF PRODUCTION PER 100 LBS. OF TEA
(All India Average)

1950 Rs. 118.15

1953 Rs. 131.00

NOTE:—Fig. in brackets are percentages of each head of cost to total cost.

Investment in reporting proprietary estates

14. Replies received from proprietary concerns cover an area of 29,519 acres. Information received under proforma 'B' of our questionnaire relating to capital invested by these concerns has been tabulated and is given in Annexure XIV. It is seen therefrom that the capital invested by Indian and Non-Indian proprietary concerns is as under:—

TABLE XII

Table showing capital invested in reporting proprietary/partnership concerns as on 30-6-1954.

Type of ownership	Area covered (acres)	Capital invested in Rupees (crores)
Indian	22,359	3·81
Non-Indian Rupee	4,140	0·69
Non-Indian Sterling*	3,020	0·63

Investment in reporting Companies and proprietary estates

15. The total capital invested by reporting companies and proprietary and partnership concerns thus amounts to Rs. 100·16 crores of which Sterling companies and Sterling proprietary concerns account for Rs. 62·23 crores (62·13%), Non-Indian Rupee companies and proprietary concerns 16·37 crores, (16·34%) and Indian Rupee companies and proprietary concerns Rs. 21·56 crores (21·53%). Out of this investment Rs. 72·32 crores represents Non-Indian holdings and Rs. 27·84 crores Indian.

Total number of Tea companies in the industry

16. According to the information gathered by us, the total number of companies** (Public and Private Limited) in the tea industry was as follows :—

TABLE XIII

Table showing number of registered Tea Plantation Companies as on 30-6-1954

Type of ownership	Number of companies	Acreage (in lakhs)
Sterling	129	3·99
Non-Indian Controlled and owned Rupee	119	1·10
Indian Controlled and owned Rupee	309	1·63
TOTAL	557	6·72

NOTE.—* This classification arises in cases of proprietary concerns also because some non residents own estates in India.

**According to information obtained from the Department of Company Law Administration the total number of Rupee Tea companies registered in India is 558. It is, however, to be noted that the companies listed by the Department of Company Law Administration include not only tea plantation companies but many other companies dealing in tea.

The total capital invested in the Tea Industry

17. Our analysis of capital structure covers Joint Stock companies having an area of 6.45 lakh acres out of a total of 6.72 lakh acres or about 95.9% of the area under Joint Stock companies in the industry and about 29,519 under proprietary/partnership concerns. The total area of tea in India is 7.89 lakh acres of which 33,000 acres refer to estates of less than 100 acres. The total area of estates over 100 acres is 7.56 lakh acres. The area of the Non-reporting estates is .82 lakh acres of which 27,000 acres refer to companies and 55,000 acres to proprietary and partnership concerns. Since all Sterling companies and Non-Indian controlled Rupee companies have been covered in full by our inquiry, it is presumed that Non-reporting companies covering 27,000 acres refer only to Indian companies. The value of the capital invested in these companies may, therefore, be estimated on the basis of the average capital per acre of reporting Indian companies. This works out to Rs. 3.52 crores of which 6.6% (0.23 crores) may be presumed to be Non-Indian on the basis of our previous analysis. The capital invested in non-reporting proprietary and partnership concerns may also be estimated on the basis of the average capital per acre of reporting proprietary and partnership concerns. This works out to Rs. 9.38 crores and may be presumed to be Indian. The total capital invested in tea is, therefore, estimated at Rs. 113.06 crores, of which Rs. 40.51 crores (35.8%) is Indian and Rs. 72.55 crores (64.2%) Non-Indian *vide* tabulated summary below.

Tabulated summary of capital invested in Tea Plantations in India

(in Crores of Rs.)

Item	Investment by Joint Stock Companies		Investment by proprietary and partnership concerns		Total	
	Non-Indian	Indian	Non-Indian	Indian	Non-Indian	Indian
1	2	3	4	5	6	7
Actuals . . .	71.00	24.03	1.32	3.81	72.32	27.84
Estimated . . .	0.23	3.29	..	9.38	0.23	12.67
TOTAL . . .	71.23	27.32	1.32	13.19	72.55	40.51

18. In Sterling companies, the proportion of capital held by Institutional Investors is 24.6%, by Secretaries and Managing Agents 2.5%, and by Individuals 72.9%. In Non-Indian Rupee companies the shares held by Institutional Investors vary between 4.7% and 16.5% of the total with an average of 13.9% ; shares held by Managing Agents vary

between 13·1% and 22·3% averaging 16·6%, and shares held by Individuals vary between 66% to 70·4% of the total. In Indian companies the shares held by Institutional Investors vary between 4·42% and 8·6% or an average of 5·4% and those held by the Managing Agents, between 4·2% to 41·5%, or an average of 12·8% and shares held by Individuals 49·9% to 91·4% of the total (for details see Table IX-B).

19. In addition to share capital, some tea companies have raised capital by issue of debentures. In the following table is given the number of companies which have furnished figures in respect of outstanding debentures as on 30th June 1954, their amounts and the rates at which they were issued.

TABLE XIV

Table showing debentures (outstanding as on 30th June, 1954).

(in Thousands of Rs.)

Type of ownership/ Management	No. of Cos.	Amount at the rate of interest of							Total	
		4½%	5%	5½%	6%	6½%	7%	7½%		
<i>Sterling Companies:</i>										
Controlled by Managing Agents/Secretaries etc.,	10	..	17,41 (1)	..	49,83 (7)	..	77,20 (2)	..	1,44,44	
<i>Non-Indian Managing Agents Control :</i>										
Partly Indian and Partly Non-Indian.	3	..	7,41 (1)	1,84 (1)	..	..	..	27 (1)	9,52
<i>Indian Managing Agents Control :</i>										
Indian.	3	4,00 (1)	15 (1)	250 (1)	..	..	..	..	6,65
Partly Indian and Partly Non-Indian.	1	..	..	..	1,30 (1)	..	..	..	1,30
<hr/>										
TOTAL	17	4,00	24,97	4,34	51,13	..	77,20	27	1,61,91	

NOTE.— Figures in bracket denote number of companies.

SOURCE.— Replies to Questionnaire.

20. Annexure XV gives the number of Rupee companies analysed according to the value of their paid-up capital. We see therefrom that 61·1% of the reporting companies have paid-up capital ranging up to Rs. 5 lakhs and 28·5% between Rs. 5 and Rs. 10 lakhs. The number of companies having paid-up capital of over 20 lakhs is only 2·4%.

Summary

21. Our analysis of capital invested covers—

- (1) All Sterling Companies.
- (2) All Rupee Non-Indian Companies.
- (3) A large majority of Rupee Indian companies (according to acreage).
- (4) About 25% of the proprietary concerns (according to acreage).

The results are summarised below:—

Total capital invested in the tea industry as on 30th June, 1954 is estimated as Rs. 1,13·06 crores (excluding small holdings below 100 acres) of which Rs. 40·51 crores, is Indian and Rs. 72·55 crores, Non-Indian. Sterling companies have a total investment of Rs. 61·6 crores, Non-Indian Rupee companies, Rs. 15·68 crores, Indian Rupee companies, Rs. 21·27 crores, and partnership and proprietary concerns, Rs. 14·51 crores. Between 1939-54 there has been a shift in the investment from Non-Indian to Indian. Shareholdings of Non-Indians in the Tea industry including Individuals, Institutional Investors and Managing Agents, which formed 88·1% of the total in 1939, have fallen to 77·7% in 1953, *i.e.* a fall of 10·4%. Considering holdings by Individuals, there has been an overall fall of 17·6% in the holdings of Non-Indians but this has resulted in an increase of 8·5% only in the shareholding of Indian Individuals, the remaining having gone to increase the shareholdings of Managing Agents and Institutional Investors.

22. Sterling companies have the largest proportion of investment by Institutional Investors, it being 24·6%. The proportion held by Managing Agents and Secretaries is very low at 2·5%.

23. In the Non-Indian Rupee companies, the proportion held by Managing Agents is the highest at 16·6% ; the Institutional Investors held 13·9%.

24. In the Indian companies the proportions held by Managing Agents and Institutional Investors are both low, being only about 4·2% and 4·4% respectively.

Capital formation—Coverage of the analysis

25. Having examined the capital invested in the Tea industry, we shall now proceed to study the trends in capital formation in the industry since 1939. To examine this problem we have made a study of the balance sheets of 247 tea companies for the years 1939, 1946 and 1953. These companies cover an area of 3,71,430 acres *i.e.* 55·7% of total area

under Joint Stock tea companies. The companies have been sub-divided under seven types of management as shown in the table below:—

TABLE XV

Table showing details of 247 companies whose balance sheets were analysed.

Type of ownership/ management	Number of Cos.	Production (in million lbs.)	Area (in acres)	The area in each group re- lated to the total area of column 4	The area in each group re- lated to total area under Cos.	
1	2	3	4	5	6	
<i>Sterling Companies</i> (Controlled by Managing Agents /Secretaries etc.)	95	225·3	2,57,785	69·4	38·6	64*
<i>Non-Indian Managing Agents Control :</i>						
Non-Indian	25	18·6	21,842	5·9	3·2	62*
Partly Indian and Partly Non-Indian.	51	38·3	45,860	12·4	6·8	
<i>Indian Managing Agents Control :</i>						
Indian	19	11·1	10,880	2·9	1·6	28*
Partly Indian and Partly Non-Indian	11	6·3	7,382	2·0	1·1	
<i>Outside Managing Agents Control :</i>						
Public Ltd. Indian	43	24·4	26,913	7·2	4·0	28*
Private Ltd. Indian	3	0·3	768	0·2	0·1	
TOTAL	247	325·0	3,71,430	100·0	55·72	

NOTE.—Figures of acreage and production in the above table relate to the year 1953.

* Represents percentage of the area in each group *viz.*, Sterling, Non-Indian and Indian to the total area in each of the three groups.

The area covered is nearly 50% of the total area under tea in India. The percentage of the area in each group *viz.*, Sterling, Non-Indian and Indian to the total area in each of the three groups is 64, 62 and 28 respectively as indicated in the table above. The percentage of Indian companies covered in this analysis is lower than that in the case of Sterling and Non-Indian companies (due to the fact that comparable data was not available in their case for all the three years). Reporting Indian companies having each 500 acres and above, formed 32% of the area owned by all the Indian tea companies (reporting or non-reporting) owning each 500 acres and above. Our conclusions regarding Indian companies are, therefore, subject to this limitation. The statement in Annexure XVI gives a composite picture of the balance sheets of these companies under various groups.

A study of capital formation in the industry

26. A study of capital formation could be made either by an analysis of the growth in the assets of the companies or by a b ayn analysis

of the growth of the capital, reserves and other liabilities of the companies. In the following paragraphs we have attempted an analysis in both these ways. In general our analysis indicates that Indian companies have shown a higher rate of growth of assets than the Non-Indian companies.

27. The total net assets of the 247 companies analysed increased from Rs. 41.80 crores in 1939 and Rs. 56.07 crores in 1946 to Rs. 88.62 crores in 1953. In 1939 fixed assets formed over half of the total assets. In 1946 fixed assets formed less than half and in 1953 only a little over a third of the total assets. Annexure XVII shows that the increase in fixed assets between 1939-53 has been only 30.3% in Sterling companies, about 56% in Non-Indian companies while in the Director-controlled Public Limited Indian companies it has been 92.7% and in companies under Indian Managing Agency it ranged between 47.75% and 80.8%. Between 1939 and 1946 the increase has been small in Indian companies while in the case of Sterling and Non-Indian companies there was a slight fall. This accounted for an overall fall of 1.5% between 1939 and 1946. The increase in fixed assets* has occurred chiefly after 1946. This increase has been partly due to revaluations of existing assets made by some of the companies. The table below shows that for the companies for which we have information, revaluation has accounted for nearly a fourth of the increase in all estates taken together and about 32% of the increase in the case of Sterling companies.

TABLE XVI

Table showing increase in fixed assets from 1939-53 and the extent of Revaluation of fixed assets for 247 tea companies.

(in crores of Rs.)

Type of ownership/management	Number of Cos.	Fixed Assets		Increase in the period	Extent of revaluation of fixed assets
		1939	1953		
1	2	3	4	5	6
<i>Sterling companies</i> (controlled by Managing Agents/ Secretaries etc.)	95	17.45	22.74	5.29	1.69
<i>Non-Indian Managing Agents Control :</i>					
Non-Indian	25	1.48	2.30	0.82	N.A.
Partly Indian and Partly Non-Indian	51	2.51	3.95	1.44	0.34

NOTE.—*From the report of the Taxation Inquiry Commission we see that the proportions of land, buildings and plant and machinery to total assets were 62, 18 and 14 in 1946. In 1951 the respective proportions were 42, 32 and 20. The Reserve Bank analysis gives figures for 1951 as 53, 24 and 17 and for the year 1952 as 46, 28 and 19. From these sets of figures it would be apparent that there has been a steady decrease in the land assets. It should, however, be mentioned here that the 'Taxation Inquiry Commissions' data and the Reserve Bank of India surveys do not cover the major section of the Indian 'Tea industry namely the Sterling tea companies.

According to the figures collected by the Commission the proportion of various items of fixed assets to the total fixed assets in the year 1954 in respect of 75 companies worked out as 45.5, 31.7, 19.4 and 3.4 for land, building, plant and machinery and others respectively (*vide* Annexure XVIII).

1	2	3	4	5	6
<i>Indian Managing Agents Control:</i>					
Indian	19	0·89	1·31	0·42	N.A.
Partly Indian and Partly Non-Indian	11	0·36	0·64	0·28	N.A.
<i>Outside Managing Agents Control:</i>					
Public Ltd. Indian	43	1·48	2·86	1·38	0·61
Private Ltd. Indian	3	0·03	0·06	0·03	N.A.
TOTAL	247	24·20	33·86	9·66	2·64

NOTE.—N. A.—Not available.

28. Floating assets increased from Rs. 17·60 crores in 1939 to Rs. 32·24 crores in 1946 and to Rs. 54·74 crores in 1953 (See Annexure XVII). The large increase in the value of floating assets is an index of the prosperity of the industry since 1939; the increase in the working funds was made possible mainly by the increased turn-over of business. In the individual groups, the net assets formation closely follows the overall pattern described above, floating assets showing a gradual preponderance from year to year. It is to be observed that the greater part of the increase in floating assets took place between 1939 and 1946 in the case of all Rupee companies, whereas in the case of Sterling companies it has been fairly uniform throughout the period.

29. Not only under fixed assets but also under floating assets Indian companies showed a substantially greater increase than Non-Indian and Sterling companies as shown in the table below:—

TABLE XVII

*Table showing increase in floating assets in 1953 as compared with 1939
(According to type of management)*

Type of ownership/management	(in per cent)
	Increase in floating assets 1939—1953
Sterling companies	191·70
Companies under Non-Indian Managing Agencies	156·53 to 247·74
Companies under Indian Managing Agencies	351·37 to 623·11
Public Ltd. companies controlled by Directors	363·03

Growth in paid-up capital

30. Annexure XIX shows the increase in the paid-up capital of the companies during the period 1939-53. It will be seen that the paid-up capital increased from Rs. 24.32 crores in 1939 to Rs. 28.67 crores in 1953, showing an increase of Rs. 4.35 crores during this period. This increase was largely due to the issue of bonus shares to the extent of Rs. 3.52 crores as shown in the Table XVIII. Excluding increases due to the issue of bonus shares and changes in the face value of shares, the paid-up capital increased by only Rs. 0.60 crores.

TABLE XVIII

Table showing increase in the paid-up capital from 1939—53 and the issue of Bonus* shares relating to 247 tea companies

Type of ownership/management	Paid-up Capital		Increase	Bonus Issue	Increase due to the change in the face value of shares
	1939	1953			
<i>Sterling Companies : (Controlled by Managing Agents/Secretaries etc.)</i>	19.01	19.70	0.69	0.34	
<i>Non-Indian Managing Agents Control:</i>					
Non-Indian	1.32	1.58	0.26	0.26	..
Partly Indian and Partly Non-Indian	2.15	3.48	1.33	1.31	..
<i>Indian Managing Agents Control :</i>					
Indian	0.52	1.12	0.60	0.45	0.03
Partly Indian and Partly Non-Indian	0.37	0.47	0.10	0.03	.
<i>Outside Managing Agents Control:</i>					
Public Ltd. Indian	0.92	2.27	1.35	1.14	0.15
Private Ltd. Indian	0.03	0.05	0.02	..	0.01
TOTAL	24.32	28.67	4.35	3.53	0.19

A study of the combined figures of share capital and reserves, which gives a better idea of the growth of owned capital in the industry is given in paragraph 38.

NOTE.—*1. These figures included the years 1952—54 when sanction for bonus shares by Government of India was suspended pending the Taxation Enquiry Commission's Report.

2. A study of the paid-up capital of 14 Sterling companies showed that in 1954 £ 13.43 lakhs was the paid-up capital and £ 8.3 lakhs was the sum of capitalised reserves.

Reserves

31. While paid-up capital has increased by 18 %, general reserves have increased by 131 %, other specific reserves by 425 % and taxation reserves by 886 % (*vide* Annexure XIX).

32. There has been a very large increase in taxation reserves in the companies under Indian Managing Agents and in the Partly Indian companies under Non-Indian Managing Agents and fairly large increases in all the other groups of companies also, ranging from 400 to 600 %. The large increase under this head is mainly accounted for by the fact that many Indian companies and also certain Non-Indian companies had not adopted a policy of putting by a reserve for taxation purposes until very recently. Naturally when the comparisons are made between 1939 and 1953 the figures would appear to be high. But as compared with taxation reserves in 1946, the increase in 1953 has been only of the order of 70 to 90 % in both Indian and Non-Indian companies. The increase in the levels of taxations since 1946 would have necessarily involved increased allocations under this head of reserves.

33. The growth in reserves (excluding taxation reserves)* from 1939 to 1953 by type of management is given in the following two tables :

NOTE.—* Although these figures exclude taxation reserves, it should not be interpreted to mean that reserves kept as taxation reserves, are not being used for other purposes.

TABLE XIX

Table showing Reserves per acre and Reserves per lb. management-wise in 1939, 1946 and 1953.

Type of Ownership/Management	1939			1946			1953					
	Total Reserves excluding Taxation reserves (in '000' Rs.)	Reserves per acre (in Rs.)	Reserves per lb. (in Rs.)	Total Reserves excluding Taxation reserves (in '000' Rs.)	Reserves per acre (in Rs.)	Reserves per lb. (in Rs.)	Total Reserves excluding Taxation reserves (in '000' Rs.)	Reserves per acre (in Rs.)	Reserves per lb. (in Rs.)			
<i>Sterling Companies (Controlled by Managing Agents/Secretaries etc.)</i>	.	.	.	7,72,72	292.47	0.49	8,91,09	338.82	0.51	17,04,89	660.81	0.76
<i>Non-Indian Managing Agents Control:</i>												
Non-Indian	.	.	.	83,06	395.52	0.51	1,57,41	763.84	0.89	1,43,52	652.36	0.77
Partly Indian and Partly Non-Indian	.	.	.	1,51,41	341.84	0.55	2,72,97	620.39	0.68	3,31,33	720.28	0.85
<i>Indian Managing Agents Control:</i>												
Indian	.	.	.	39,51	395.10	0.22	96,14	961.40	0.52	1,12,22	1,020.18	1.01
Partly Indian and Partly Non-Indian	.	.	.	11,38	162.57	0.22	35,67	509.57	0.65	52,15	745.00	0.82
<i>Outside Managing Agents Control:</i>												
Public Ltd. Indian	.	.	.	76,71	295.00	0.30	1,77,21	681.58	0.69	2,19,98	814.74	0.90
Private Ltd. Indian	.	.	.	54	72.65	0.14	1,69	227.12	0.43	5,57	725.26	1.07
TOTAL	.	.	.	11,35,34	304.38	0.48	16,32,19	437.58	0.58	25,69,66	690.77	0.79

TABLE XX

Table showing percentage increase/decrease in reserves in 1953 over

1939

(in Lakhs of Rs.)

Type of Ownership/ Management	Number of Cos.	Reserves 1939				Reserves 1946				Reserves 1953			
		General	Other specific	Profit & Loss account	Total	General	Other specific	Profit and Loss account	Total	General	Other specific	Profit and Loss account	Total
1	2	3	4	5	6	7	8	9	10	11	12	13	14
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries.) etc.													
	95	3,87.6	1,06.7	2,78.3	7,72.6	4,99.9	2,29.6	1,61.6	8,91.1	8,53.3 (120.1)	6,91.6 (548.0)	1,59.9 (-42.5)	17,04.8 (120.7)
<i>Non-Indian Managing Agents</i> <i>Control:</i>													
Non-Indian	25	45.1	16.0	21.9	83.0	65.8	46.0	45.5	1,57.3	54.7 (22.4)	69.1 (335.1)	19.6 (-10.4)	1,33.4 (60.7)
Partly Indian and Partly Non-Indian	51	86.3	21.8	43.2	1,51.3	1,51.2	57.6	64.1	2,72.9	2,41.2 (178.9)	48.8 (125.7)	41.2 (-4.6)	3,31.2 (118.9)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
<i>Indian Managing Agents Control:</i>														
Indian		19	2.8	14.4	22.2	39.4	19.0	24.8	52.3	96.1	37.4	28.0	46.7	1,12.1
Partly Indian and Partly Non-Indian		11	6.5	1.5	3.3	11.3	23.4	2.4	9.8	35.6	36.4 (461.6)	14.3 (795.6)	1.4 (-57.0)	52.1 (357.0)
<i>Outside Managing Agents Control:</i>														
Public Ltd. Indian		43	16.7	16.3	43.6	76.6	22.6	18.1	1,36.5	1,77.2	36.3 (116.7)	67.9 (317.0)	1,15.8 (165.1)	2,20.0 (185.8)
TOTAL		244	5.45.0	1,76.7	4,12.5	11,34.2	7,81.9	3,78.5	4,69.8	16,30.2	12,59.3 (131.1)	9,19.7 (420.5)	3,84.6 (-6.8)	25,63.6 (126.0)

NOTE.—Figures in brackets indicate percentage increase/decrease in 1953 over 1939.

Proportions of reserves, excluding taxation reserves, to total assets are indicated in the table below: —

TABLE XXI

Table showing the proportions of reserves, excluding taxation reserves to total assets

Type of ownership/management	(In percentage)		
	1939	1946	1953
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries etc.)	24.74	22.66	27.08
<i>Non-Indian Managing Agents Control:</i>			
Non-Indian	35.08	46.46	31.27
Partly Indian and Partly Non-Indian	35.62	41.40	33.14
<i>Indian Managing Agents Control :</i>			
Indian	31.55	46.87	35.23
Partly Indian and Partly Non-Indian	20.98	39.41	35.31
<i>Outside Managing Agents Control:</i>			
Public Ltd., Indian	34.48	47.64	34.94
Private Ltd., Indian	13.25	19.27	43.69
<i>For all types of Ownership/Management</i>	<u>27.16</u>	<u>29.11</u>	<u>28.99</u>

It is seen that there is no significant increase in reserves in any major group of companies. Non-Indian Rupee companies show a slight decrease. The proportion of reserves to total assets in 1953 is higher in the Indian group than in the Non-Indian group. In all the groups excepting Sterling and the Private Limited Indian control, there is a fall between 1946 and 1953. This indicates in part the capitalisation of reserves and drawing in on reserves to meet the 1952 crisis.

33-(a). Proportion of reserves (including taxation reserves) to total assets is shown in table below. This gives a slightly different picture from the previous table which excludes taxation reserves.

TABLE XXI-A

Table showing proportion of reserves inclusive of taxation reserves to total assets

Type of Ownership/Management	(In percentage.)		
	1939	1946	1953
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries etc.)	26.51	28.92	33.74
<i>Non-Indian Managing Agents Control:</i>			
Non-Indian	36.05	51.78	33.85
Partly Indian and Partly Non-Indian	35.71	46.19	37.44

Type of Ownership/Management	1939	1946	1953
<i>Indian Managing Agents Control:</i>			
Indian	34.55	56.71	46.13
Partly Indian and Partly Non-Indian	22.31	45.60	37.89
<i>Outside Managing Agents Control:</i>			
Public Ltd., Indian	34.62	53.20	45.93
Private Ltd. Indian	13.25	19.27	43.69
<i>For all types of Ownership/Management</i>	<i>28.57</i>	<i>35.21</i>	<i>35.56</i>

The percentage of reserves to total assets shows a decided increase between 1939 and 1953 in all companies excepting the Non-Indian controlled Non-Indian Rupee companies which show a fall; between 1946 & 1953 there has been a fall in the proportion of reserves to total assets, this fall being the largest in case of Non-Indian companies under Non-Indian control. In Sterling companies and Private Limited Indian companies there is a rise in reserves between 1946 and 1953. In 1953, Indian companies in all categories show a larger percentage of reserves to total assets than Non-Indian and Sterling companies.

Looking at the percentage for reserves in relation to total assets either including or excluding taxation reserves, either in 1939 or 1953, all other types of companies showed a noticeably greater percentage of reserves to total assets than Sterling companies.

34. The following table gives the percentage different kinds of reserves to total reserves :

	1939	1946	1953
	Per cent	Per cent	Per cent
General Reserves	45.7	39.6	40.0
Other Specific	14.8	19.2	29.2
Taxation	4.9	17.3	18.5
Balance of Profit	34.6	23.9	12.3
TOTAL	100.0	100.0	100.0

35. Tea is one of the industries which has maintained a substantial portion of profits as specific reserves. The table below indicates

the percentage of increase or decrease of different kinds of reserves between 1939 and 1953.

Type of Ownership/Management	General Reserves	Other Specific Reserves	Balance of Profit
	Per cent	Per cent	Per cent
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries etc.)	120.1	548	-42.5
<i>Non-Indian Managing Agents Control:</i>			
Non-Indian	21.4	335.1	-10.4
Partly Indian and Partly Non-Indian	178.9	125.7	-4.6
<i>Indian Managing Agents Control:</i>			
Indian	238.9	93.4	110.2
Partly Indian and Partly Non-Indian	461.6	795.6	-57.0
<i>Outside Managing Agents Control :</i>			
Public Ltd., Indian	116.7	317.0	165.1

36. These figures indicate that foreign companies put by more funds under specific reserves than Indian companies under Indian Managing Agencies. A policy of retention of a greater portion under specific reserves can equally be followed by Indian companies, as they have a larger balance of profit as 'carried forward'.

Growth in invested capital

37. Paid-up capital and reserves excluding taxation reserves. (the aggregate of share holders' equity) increased from Rs. 33:67 crores in 1939 to Rs. 40:95 crores in 1946 and Rs. 54:36 crores in 1954 (*vide* Annexure XVI). In Sterling companies these formed 86% of the total assets in 1939, 71% in 1946 and 58% in 1953 as shown in table below:—

TABLE XXII

Table showing the proportion of paid-up capital and reserves excluding taxation reserves to total assets of 247 tea companies

Type of Ownership/Management	(in percentage)		
	1939	1946	1953
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries etc.)	85.63	71.34	58.33
<i>Non-Indian Managing Agents Control:</i>			
Non-Indian	90.62	85.28	65.64
Partly Indian and Partly Non-Indian	86.09	75.43	67.93
<i>Indian Managing Agents Control :</i>			
Indian	80.07	72.65	70.39
Partly Indian and Partly Non-Indian	89.90	80.73	67.25
<i>Outside Managing Agents Control :</i>			
Public Ltd., Indian	75.64	74.13	70.96
Private Ltd., Indian	93.80	65.35	83.50
<i>For all types of Ownership/Management</i>	85.34	73.04	61.34

38. The reserves of Sterling companies were in excess of paid-up capital in 1953; these together formed less than 2/3rd of the total assets. Taxation reserves accounted for 6.6%, bank borrowings 3.2%, other loans 5.6% and amounts due to trade etc., accounting for the balance of 26.1%. This shows greater dependence of the foreign companies on borrowings. Between 1939 and 1953 the Sterling and Non-Indian Rupee companies show a greater decline in the proportion of capital and reserves to total assets, compared to the Rupee companies under Indian Managing Agency and Director-controlled Public Limited Indian companies. The share holders equity is stronger in the latter.

38(a). The proportion of share capital and reserves (including taxation reserves) to total assets is shown in the table below :—

TABLE XXII-A

Table showing proportion of share capital and reserves inclusive of taxation reserves to total assets

Type of Ownership/Management	(In percentage)		
	1939	1946	1953
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries etc.)	87.40	77.60	65.04
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	91.59	90.60	68.22
Partly Indian and Partly Non-Indian	86.18	80.22	72.23
<i>Indian Managing Agents Control :</i>			
Indian	80.07	82.49	81.29
Partly Indian and Partly Non-Indian	91.23	86.92	69.83
<i>Outside Managing Agents Control :</i>			
Public Ltd., Indian	75.78	79.69	81.95
Private Ltd., Indian	93.80	65.35	83.60
<i>For all types of Ownership/Management</i>	86.75	79.14	67.91

From the above table it is seen that the Director-controlled Public Limited Indian companies and Indian companies under Managing Agencies showed a rise in the percentage of capital and reserves (including taxation reserves) to total assets between 1939 and 1953 while in the case of Sterling companies the percentage fell by 22% and in the case of Non-Indian companies the percentage fell by 14 to 23%.

39. The relation of Share capital to fixed assets during 1939, 1946 and 1953 and the assets per acre are brought out in the following tables

TABLE XXIII

Table showing the Share Capital (Inclusive of capitalised reserves) and fixed assets of 247 tea companies.

Type of Ownership/Management	(In Lakhs of Rs.)									
	1939			1946			1953			
	Share Capital	Fixed Assets	Excess of Fixed Assets over Share Capital	Share Capital	Fixed Assets	Excess of Fixed Assets over Share Capital	Share Capital	Fixed Assets	Excess of Fixed Assets over Share Capital	
I	2	3	4	5	6	7	8	9	10	
Sterling Companies (Controlled by Managing Agents/ Secretaries, etc.)										
Non-Indian Managing Agents Control:										
Non-Indian										
Partly Indian and Partly Non-Indian										
Indian Managing Agents Control :										
Indian										
Partly Indian and Partly Non-Indian										
Outside Managing Agents Control :										
Public Ltd. Indian										
Private Ltd. Indian										
TOTAL										
	24,32.4	24,20.2	-12.2	24,63.3	23,82.8	-80.5	28,67.0	33,88.2	5,21.2	

In Sterling Companies in the years 1939 and 1946 fixed assets were less than share capital. In 1953 fixed assets are in excess of share capital.

In all Rupee companies except the Partly Indian Companies fixed assets have been in excess of share capital in all the years 1939, 1946 and 1953. Though in 1953 the group-wise totals in every case show an excess of fixed assets over share capital there are individual companies in whose case the share capital is in excess of fixed assets.

TABLE XXIV

*Table showing fixed & floating assets per acre
(According to type of management)*

Type of Ownership/Management	Number of Cos.	Assets in 1939 per acre			Assets in 1946 per acre			Assets in 1953 per acre.		
		Fixed		Floating	Fixed		Floating	Fixed		Floating
		Total	5	6	7	8	Total	9	10	11
1	2	3	4	5	6	7	8	9	10	11
<i>Sterling Companies (Controlled by Managing Agents/Secretaries etc.</i>										
	95	660.1	521.4	1,181.5	642.1	856.0	1,498.0	866.4	1,532.9	2,399.3
<i>Non-Indian Managing Agents Control :</i>										
Non-Indian	25	713.6	430.5	1,144.1	672.7	908.8	1,581.5	1,042.7	1,033.8	2,076.5
Partly Indian and Partly Non-Indian	51	571.7	396.4	968.1	582.9	907.0	1,489.9	871.1	1,333.3	2,204.4
<i>Indian Managing Agents Control :</i>										
Indian	19	882.3	255.5	1,137.8	908.2	1,121.0	2,029.2	1,204.3	1,723.7	2,928.0
Partly Indian & Partly Non-Indian	11	499.2	254.6	753.8	496.4	736.0	1,252.4	879.8	1,120.6	2,000.4
<i>Outside Managing Agents Control :</i>										
Public Ltd. Indian	43	560.7	280.8	841.5	615.5	792.4	1,407.9	1,061.8	1,277.1	2,338.9
Private Ltd. Indian	3	463.9	84.3	548.2	657.0	521.5	1,178.5	838.9	824.9	1,663.8

Trends in Bank Borrowings.

40. Annexure XIX shows that between 1939 and 1953 bank borrowings, taking all groups together, increased on an average by 887%. Although there has been an increase in available working funds from year to year, the working costs have increased more than proportionately. The increase in bank borrowings is the largest in Sterling companies at 1,351%. In the case of Indian companies, this analysis shows the increasing degree to which they have come to rely on bank loans since 1939. While in 1939 bank borrowings were only Rs. 3.99 lakhs and other loans Rs. 14.12 lakhs, in 1953 the respective figures were Rs. 11.08 and Rs. 11.18 lakhs. In the Director-controlled Public Limited companies, the increase in bank borrowings in 1953 was 355% over 1939.

41. The relative position of bank borrowings is seen in a better perspective when related to total assets as shown in the table below :—

TABLE XXV

Table showing proportion of bank borrowings to total assets (taken as 100) of 247 tea companies

Type of Ownership/Management	1939	1946	1953
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries etc.)	0.44	0.84	5.65
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	1.56	1.74	13.50
Partly Indian and Partly Non-Indian	0.30	0.46	6.00
<i>Indian Managing Agents Control :</i>			
Indian	3.49	1.04	3.51
Partly Indian and Partly Non-Indian . . . . .	..	0.07	12.28
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	2.38	2.65	2.68
Private Ltd. Indian . . . . .	..	18.77	1.66
<i>For all types of Ownership/Management</i>	0.67	1.00	5.91

42. The analysis given in the preceding paragraphs shows that there has been a substantial growth of total capital formation in the industry since 1939. The following table indicates that this has been of the order of Rs. 46.81 crores in respect of the 247 companies whose balance sheets have been analysed.

TABLE XXVI

Table showing capital formation for 247 tea companies

(In crores of Rs.)

Item	1939-46	1946-53	1953-39
Increase in net fixed assets	-0.37	10.05	9.68
Increase in floating assets	14.63	22.50	37.13
TOTAL	14.26	32.55	46.81

43. The percentage of increase in total assets has been 102% in Sterling companies, and between 94% and 135% in Non-Indian companies, 172 to 180% in Indian companies and 183% in Director-controlled Public Limited companies (*vide* Annexure XX). The greater part of the increase has occurred between 1946 and 1953, in the case of the Sterling companies and Director-controlled Public Limited Indian Rupee companies, the latter showing a larger increase than the former even after allowing for revaluation. In both types of companies the increases are partly due to revaluation of fixed assets.

Revaluation of assets: Capitalisation of Reserves

44. We shall now proceed to examine in the following paragraphs the sources mainly responsible for this increase. The growth in the paid-up capital from 1939 to 1953 for the companies under various types of management as given in the table shows that the increase is not very significant. What little increase there has been, is almost wholly accounted for by the issue of bonus shares or rise in the face value of the shares. The capitalisation of reserves may not in itself be objectionable so long as it does not lead to over-capitalisation or any abuse but when these reserves are created by revaluing fixed assets and transferring the increased valuation as capital reserves, as has been done by many companies, and these reserves are then utilised for augmenting the share capital, share capital seems to have little relation to actual investment.

45. In this connection the following observation made by the Taxation Enquiry Commission on revaluation of fixed assets appears to be relevant :

“To expect a stable level of prices over a continuing period is unrealistic and not in accord with economic history; and the risk of gain or loss resulting from price changes is an inevitable adjunct of a monetary economy. To pick out one form of income or wealth such as fixed assets used in business and attempt to secure for them some kind of a stability of value in real terms is neither equitable nor practicable. Thus, write-up of assets would tantamount to a subsidy of business income, while other incomes, though equally subject to the strain of rising prices, would be denied the subsidy. Moreover, rising prices, while increasing the costs of replacement

for business, also reduce the real burden of its contractual obligations, which may, in some cases, be more than a set-off against the former.....Revaluation of assets with its necessary implication of depreciation allowances in excess of original costs, benefits established and stationary business units, especially such of them as have delayed replacing their assets as also those which deliberately retain obsolete plant as a stand-by for emergency use, while new business units and old business units which have followed a progressive policy regarding replacement or gone in for expansion are left without any special favour from the exchequer." (T. E. C. Report, Vol. II, Chapter V, P. 75.)

Certification by Tea Board that each Revaluation is justified, recommended

46. While revaluation of fixed assets may not in general be justified in all industries started in the recent past, it could be justified in the case of the Tea industry which was started about more than 100 years ago and in which ploughing back out of profits has occurred over a long period. We, however, recommend that in all cases of such revaluations, the Tea Board should certify that the valuation is justified and is in conformity with current prices. Revaluation of fixed assets in tea estates requires greater care than that required in many other industries. Further, in this connection, we support the recommendation of the Taxation Enquiry Commission that "Government should exercise control over the issue of bonus shares in such a way as to ensure that there is no over-capitalisation of the company and that any other misuse of the facility is prevented".

Control of capital issues—Need for rigid scrutiny of applications

47. The control of revaluation of fixed assets referred to above should prove useful to the Controller of Capital Issues. In regard to valuation of sale price of estates, the controller had sometimes to depend on the purchasing companies' own valuations or those of persons appointed by them. Great care was necessary in sanctioning share capital when estates were purchased by a company from its own directors and valuation was made by officers or members of the board in which the selling director was in the executive. Proprietors sometimes sold their property to a Private Limited company formed amongst themselves or to a Public Limited company in which they were the directors. Some companies revalued block assets after purchase. Sometimes when a Sterling company is converted into a Rupee company shares are allotted to non-resident share-holders for consideration other than cash. In some cases the share capital was issued in petty denomination of Rs. 2 per share so that the Managing Agent could have more voting strength. Capital expenditure incurred some years back from reserves was adjusted by converting reserves into bonus shares. Some companies wanted to issue share capital for current finance which should normally come from loans. Considering the need for share capital in the private sector for various other industries and of restricting capital for essential needs only, the issue of debentures rather than share capital should be considered in some cases. This required advice of financial

experts. All these indicate the need for exercise of more rigid scrutiny before sanctioning new capital issues, especially in cases arising out of purchases of proprietary estates, conversion of Sterling companies into Rupee ones and issue of bonus shares as a consequence of revaluation of fixed assets.

Estimate of available funds with tea companies

48. In preceding paragraphs we have referred to the position of reserves. The term "reserve" is not always clearly understood. The popular notion that reserves form some source of funds which could be readily drawn upon whenever circumstances require it has no relation to actual facts. In most cases reserves are inextricably bound up with the company's assets except when they are specifically funded outside the business in securities or other deposits. Therefore merely to read from the balance sheet the amount of reserve in a company's account gives no indication of the "owned" resources of the company. In order to determine this, we have proceeded on the basis of calculating the current assets (*i.e.* all the assets other than the fixed) and deducting therefrom the current liabilities. This figure gives us the actual available working funds in the hands of the companies. Annexure XXI gives these figures in actuals and the Table XXVII gives the same as expressed per acre. It will be seen that in 1953, the Indian companies had larger 'owned resources' per acre than Sterling and Non-Indian companies. It was Rs. 1,175.8 and Rs. 855.1 respectively for Indian companies under Indian Managing Agency and Director-controlled Indian companies.

TABLE XXVII

Table showing available working funds per acre with tea companies

Type of Ownership/Management	1939	1940	1953
<i>Sterling companies</i> (Controlled by Managing Agents/ Secretaries etc.)	372.5	520.4	706.15
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	334.19	760.1	378.51
Partly Indian and Partly Non-Indian	262.65	612.33	712.76
<i>Indian Managing Agents Control :</i>			
Indian	28.8	765.67	1,175.83
Partly Indian and Partly Non-Indian	188.57	592.16	516.58
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	76.92	506.44	855.11
Private Ltd. Indian	50.33	113.06	551.90
<i>For all types of Ownership/Management</i>	304.3	551.3	708.18

Amounts ploughed back into fixed assets

49. When we compare these figures with the figures given as reserves, we see that the latter are in excess of the former. The difference between the two would represent the amount of reserves which have gone into the fixed assets. In 1953 this is seen to be Rs. 332·9 and Rs. 103 per acre in the case of Non-Indian Rupee companies and partly Indian companies under Non-Indian management, Rs. 117·9 in the case of the Sterling companies, Rs. 175 to 242 in the case of Indian companies and partly Indian companies under Indian Managing Agents and Rs. 219·2 in the case of the Director-controlled Indian companies (Annexure XXII).

Growth in internal resources not adequate

50. The average working funds for all companies in 1953 as shown in Table XXVII amount to Rs. 708·2 per acre. Considering that nearly 40% of the existing tea bushes were planted before 1910 and would be due for replanting before long and that the expenditure for replanting would be of the order of Rs. 3,000 per acre and that in addition amounts will be required for rehabilitating plant and machinery, it will be seen that the growth in internal resources of the companies has not been commensurate with the needs of the industry in respect of maintaining the fixed assets in a normal condition.

Sources of augmenting internal finance—Retained profits

51. The sources from which working funds are augmented are :—

- (1) New capital issues to the extent to which they are not fully set off against new capital expenditure.
- (2) Retained profits.

As regards (1) we have seen that there has been very little new issues of capital between 1939 and 1953. As regards (2) in Annexure XXIII is given the net profits after taxation per acre and the amounts retained by the companies from the profits of the respective years after paying dividends. In the absence of fresh additions to paid-up capital, the retained profits have been the main sources of finance for the industry. The profits distributed to shareholders have been generally about 50% of profits after taxation. At present there is no statutory provision governing the distribution of profits of companies, except the one referring to those coming under Section 23-A of the Income-tax Act. If the shareholders so decide, it is open to them to distribute the entire earnings of the year without allocating any fund to reserves. If distributed profits were reduced by half, the retained profit per acre would have been at Rs. 257 in 1953. A limitation on dividends by half would itself have enabled most companies to increase their internal resources by about 25%.

Necessity for external finance

52. The dependence of the industry on its own resources, although commendable, limits the possibilities of development. In order to provide for a continuous growth of the industry, it is necessary that finance

should be made available in sufficient quantities and that the agencies providing the finance should operate with greater flexibility. Our recommendations in this regard have been incorporated in the chapter on finance for Tea industry. When these recommendations are implemented, the internal resources now available in tea companies could be released for development purposes. The argument that the internal resources should be built up for working capital purposes may be wise counsel but it does not fit in with modern conception of the part played by banks and financial agencies. It would appear to be a needless locking up of funds which could more appropriately be utilised for long term investment.

Debenture issues suggested as source of finance

53. From our study of balance sheets of the South Indian tea companies we have seen that they have gone in for debenture issues. The response of the capital market to debenture issues by tea companies should be favourable. We recommend that tea companies adopt this source of finance for future capital to an increasing extent.

CHAPTER V

MAINTENANCE AND UP-KEEP OF TEA BUSHES

The climatic conditions most suitable for tea culture and the regions where tea is cultivated in this country have been described in an earlier chapter. Tea is cultivated in India at different elevations ranging from the sea level to altitudes over 6,000 ft. In this chapter we have given an outline of the agronomy of tea.

Tea culture on plantation scale

2. Tea culture in India has from the beginning been done on a plantation scale. Though small estates below 100 acres are numerically in the majority, the major portion of the acreage and production in India are accounted for by estates over 100 acres. They account for 96% of the acreage and 99% of the production in the country.

The agronomy of tea—methods of planting

3. Most of the estates have been opened on what were originally jungle land. The usual procedure in such cases is for the jungle to be cleaned and the timbers removed, and the land surveyed for roads, drains and building sites. After the land is ready for cultivation, planting is started. The pattern of planting and the spacing of plants will depend on the layout of the land. Where the area is flat or the slope gentle, the bushes are planted in square, rectangular or triangular patterns, the spacing between bushes being such as to allow the bushes, when mature, to cover the ground completely without over-crowding and without vacant spaces in between. A good coverage is considered important to keep the soil in good condition without excessive dessication. The spacing between the bushes varies according to the nature of the terrain, the more usual spacing being from 3 ft. to $4\frac{1}{2}$ ft. between bushes providing a coverage of about 3,000 per acre. A more modern pattern of planting recommended by the Tocklai Experimental Station and being adopted increasingly by many estates in their new planting is what is called "hedge planting". In this pattern the bushes are planted in rows five feet apart with a spacing of about 2 feet between the bushes in a row. This spacing may be varied according to the nature of the land. It is claimed that with hedge planting a larger number of bushes are provided per acre, with more continuous plucking points. Also movement through the planted area for purposes of plucking, manuring and other operations is rendered easier by hedge planting. What is even more important from a long term point of view, is that when as a result of the research and experimentation now going on, a satisfactory mechanical harvester or plucking machine is finally evolved, it could be operated with ease only in areas where the bushes are planted in rows in a hedge pattern. In the hill regions where the gradients are steep, contour-planting and sometimes terracing are resorted to in the interests of soil conservation.

4. After the ground is prepared and the pattern of planting decided upon, holes are dug according to the settled pattern for the reception of the young plants. The normal practice is to raise the young plants initially in nurseries from selected seeds, and to plant them out in the field when they are between six to eighteen months old depending upon the climate and weather. Vegetative propagation with the help of selected clones is also being increasingly adopted. In the plains districts, the young plant begins to yield in about 3 to 5 years time, but in the hills it takes longer.

Pruning

5. When the young plant has grown to some height it is cut back to stimulate lateral growth so that it may develop into a bush. Thereafter it is pruned periodically to prevent vertical growth and to provide a good spread of lateral branches and to stimulate continued production of fresh young leaves. Pruning is necessary not only to stimulate flushing but also to keep the size of the bush convenient for plucking. The pruning cycle differs from region to region. In the plains districts of North East India light pruning takes place every year. In the hill districts of the South India the pruning cycles vary from about 3 years to 8 years. The cycle is longer in the hills than in the plains.

Soil conservation

6. Soil conservation has always been a problem in tea areas especially where tea is grown in slopes and rainfall is heavy. In the early days in certain regions like Cachar the cultivation and weeding practices which involved considerable loosening of the top soil, resulted in serious deterioration of the land caused by loss of the top soil. The modern practice is, therefore, to do surface weeding and thereby avoid excessive disturbance of the top soil.

Manuring

7. Regular manuring is now the accepted practice in the Tea industry. Most well run estates try to carry on their manuring programmes in accordance with available scientific knowledge on the subject. The three important ingredients required for the proper nutrition of tea bush are nitrogen, potash and phosphorus. The proportion of the different ingredients required will depend on the nature of the soil. Nitrogen is the ingredient necessary for an abundant supply of green leaf and is usually the chief constituent of the fertiliser mixtures used in tea gardens. The supply of nitrogen in the soil is also supplemented by the fallen leaves of the shade trees and other leguminous plants grown in tea gardens. From the replies to the questionnaire I—Tea furnished by the tea companies we understand that ammonium sulphate is largely used by the estates in North India but the South Indian estates go in largely for N.P.K. (nitrogen, phosphorus, potash) fertiliser mixtures, some of the ingredients of which are imported. In Annexure XXIV is given a statement showing the quantity and value of the manures used in each of the 3 years 1952, 1953 and 1954. An examination of the replies received to our questionnaire

also shows that estates with high yields generally do manuring which is adequate both from the point of view of intensity of application per acre and coverage of the planted area. In many of the estates with comparatively low yields, while the amounts of manure applied per acre did not compare unfavourably with those used in high yielding estates, the total proportion of the area manured was comparatively small. Systematic and adequate manuring is one of the most important measures necessary for increasing yields.

Pest control

8. The tea bush is also subject to attacks by various insect pests such as the tea mosquito, the red spider, thrips and some others and to various blights and diseases. Unless the attacks are prevented or kept in control they not merely reduce crops but also do serious damage to the plants. Pest and disease control by means of various insecticides and fungicides is, therefore, an essential item in the commercial cultivation of tea. From the information furnished by tea companies, in reply to the relevant question of Questionnaire I—Tea, it is clear that the larger units of the industry are alive to the imperative need of pest control. Some of them carry out pest control measures as a routine measure while the majority adopt them only when the need is felt. The small growers, however, have difficulties in adopting them. For them in a later chapter we have recommended the formation of co-operative societies, which when given effect to will enable them to carry out pest control measures satisfactorily.

Life of the tea plant—need of replanting

9. The tea bush like any other living plant has only a limited span of life. As in the case of all living things, heredity and environment are factors which affect its span of life. The *jat* of the plant, the climate and soil of the place where it grows and the care and attention which it receives are all factors which affect the length of its economic life. There does not appear to be any exact figure available anywhere regarding the length of the economic life of the cultivated tea plant. In some of the places we visited, we were shown plants which were stated to be over 80 years old and probably nearing hundred, and still giving fairly good yields. This must be exceptional. From the replies we have received, the prevailing opinion of a large section of planters appears to be that the economic life of a tea bush receiving reasonable care may be about 60 years; but in a matter like this there cannot, in the nature of things, be any exact figure. There can, however, be no doubt that unless care is taken to ensure that old and worn out plants are replaced from time to time, the whole garden will in course of time cease to be productive. In all well managed gardens, this process of replacement of old plants goes on by up rooting and replanting of old areas or by new planting on virgin soil.

Region-wise analysis of age of bushes

10. In view of the fact that the tea bush is essentially a wasting asset which needs periodic replacement, it is important to have information regarding the age-group of the bushes in the different areas.

This will give an indication of the present condition of a most important asset of the industry, and the urgency or otherwise of an extensive programme of replanting or new planting. In our questionnaire we endeavoured to gather information on this point as well as on the progress made in replanting or new planting during the 10 years ending 1953. The information received is analysed in the succeeding paragraphs. In evaluating this information the fact has to be borne in mind that for reasons already explained, the questionnaires were only sent to growers of tea of 100 acres and above. All those to whom the questionnaires were addressed have not replied, and even amongst those who have sent replies, quite a few have failed to supply information on the question of the age of plants. However, the trends disclosed by the information received are by and large applicable to the whole industry consisting of units of 100 acres and above.

11. The replies received covered an area of 4,27,210 acres or slightly over half of the total acreage under tea in India. The information is summarised in Annexure XXV. Annexure XXVI shows the acreage of new planting, replanting, etc., and area abandoned in the different areas during the 10 years ending 1953.

12. It will be seen that in the area covered by the replies received, as much as 28·79% of the plants are more than 55 years old, having been planted before 1900. Assuming the economic life of a tea bush to be 60 years, all this area will be due for replanting without undue delay. It will be observed that during the 10 years ending 1953 the total extent of replanting and new planting in the area covered by the replies has been only 8·65% which amounts to less than 1% per year. A greater rate of progress in replanting would appear to be necessary to prevent the industry gradually running down in vitality and productivity owing to progressive ageing of the plants. If the economic life of a tea bush is 60 years, to keep the plantations from getting over-aged in the long run the normal average replanting should be 1·2/3% per year. We shall revert to this point later.

13. The percentage of teas planted before 1900 is highest in the Darjeeling region amounting to 79·16%. In the matter of new planting on virgin soil and reclaimed land taken together during the ten year period ending 1953, leaving aside Tripura whose acreage is very small, South India has the highest percentage of 4·46% and Darjeeling the lowest of 1·77%. However, in the matter of replanting *i.e.* uprooting of old plants and planting new ones, South India had only a very small percentage to show namely 0·72%. There is not much old tea in Tripura needing immediate replacement. The slow progress in the matter of replanting in South India is partly attributable to certain physical factors arising out of the nature of the terrain where tea is grown*. Much of the tea in South India is on steep hill sides which are not terraced. Uprooting and replanting under these conditions present serious difficulties especially in a region subject to heavy rainfall. There

NOTE.—*These apply equally to the Darjeeling tea region in North India.

is the danger of serious soil erosion and of the disturbed top soil being washed away by torrential rain. The planting industry in the South has, therefore, done very little so far in the matter of replanting. Their progress has been in the direction of new planting. But there are obvious limitations to this. The extent of new land suitable for tea is not unlimited, and the distance of new areas to be developed from existing factories must also be an inhibiting factor. The question of evolving a method of replanting on steep hill-sides in a satisfactory and economic manner is of vital importance to the Tea industry in the South for its continued existence in the long run. We understood that the matter has been receiving the attention of the industry and its research institutions. It should be pursued with vigour by the industry and the Tea Board.

14. An analysis of the information we have received regarding the age-groups of the bushes and the progress of replanting with reference to the different types of ownership of tea gardens is given in Annexure XIV.

Progress of replanting and new planting

15. Annexure XXVIII gives information about the progress of new planting and replanting with reference to types of companies and proprietary concerns. It will be observed that the larger proportion of old plants (those planted before 1900) are in gardens under Non-Indian ownership—43·4% in the case of Non-Indian companies registered in India and 29·4% in the case of Sterling companies. The reason for the larger proportion of old plants in these gardens is perhaps due to the fact that they were the first in the field to take up tea planting. The Indian section came into the field much later.

16. Land under tea abandoned during the decade ending 1953 formed 2·84% of the acreage for which information was received. In the case of the Sterling capital estates the area abandoned was 3·1% of the total acreage. The abandonments were stated to be due to various reasons such as floods, landslides, for resting before replanting, for replacement of tea on virgin soil, or because the areas had become uneconomic.

Replanting necessary for increasing productivity

17. We have observed that for the purpose of keeping an estate in good condition without it gradually getting run down in value and productivity, a constant process of renewal of old plants is necessary. Replanting is necessary not merely for the purpose of maintenance. With proper selection of improved plant material for replanting, experiments have shown that increasing yields are also possible—a factor of considerable economic importance for the future of the industry. In this direction much valuable work has been done by the Tea Experimental Station at Tocklai in the vegetative propagation of the tea bush through selected clones. We have dealt with this aspect again in a later chapter.

Cost of replanting

18. In spite of the need of a programme of replanting for the very existence of the industry in the long run, we have observed that progress has been slow. We are given to understand that the main reason for this is that replanting has become so expensive that large sections of the industry are unable to launch on a programme on an adequate scale. In the plains the tea bush takes about 5 years after planting before it starts yielding. In the hills this period of waiting is longer and has been variously estimated as 7 to 10 years according to the evidence received by us. During this period of waiting while expenditure has to be incurred in clearing the land, planting tea and tending the young bushes, no income is received from the land. The actual expenditure to be incurred for this purpose will depend on many factors such as the locality, the nature of the clearing work to be done, the prevailing rate of wages, the pattern of planting adopted, cost of materials and the period of waiting. Regarding the effect of the pattern of planting on cost, for example, it has been mentioned that with a planting distance of $5' \times 2'$ the initial costs of uprooting, seed, fertiliser, labour, etc., may be almost double that involved in planting $4' \times 4'$ square. The cost will, therefore, vary widely from place to place and often from estate to estate. In our questionnaire we had asked for information regarding the cost incurred by planters in new planting and replanting of one acre of tea and tending it for a period of 5 years commencing from 1944 and 1948 respectively and their estimate of costs for the same under conditions obtaining at present. The replies received, which will be found in tabular form in Annexure XXIX, show an astonishing range of differences. Even making allowances for different methods of accounting and calculations that must have been adopted by those who have answered the questions, the fact is clear that the range is very wide. According to an experienced Scientific Officer, the cost of uprooting of one acre of old tea planted $4' 6'' \times 4' 6''$ triangular and replanting with new seed $5' \times 2'$ and maintaining the young area for 3 years will cost in Assam Valley approximately Rs. 3,725 as shown below:—

	Rs. per acre
1. <i>Uprooting</i> on the basis of tea planted $4' 6'' \times 4' 6''$ triangular :	
<i>By Hand</i>	285
<i>By Elephant</i>	315
<i>Tractor and Winch</i>	100
2. <i>Ploughing, Harrowing etc.</i> in preparation for green cropping <i>one year under green crop follow</i>	20
3. <i>Ploughing, Harrowing etc.</i> in preparation for replanting	20
4. <i>Green Crop seed</i> garden should produce its own : if it has none	10
5. <i>Tea Seed</i> . Hedge Planting $5' \times 2' \frac{2}{3}$ rd maunds at the rate of Rs. 350 per acre (allows for <i>rigorous</i> nursery selection)	250

	Rs. per acre
6. <i>Cattle Manure.</i> Many gardens have their own. 5' x 2' Hedge Planting 19 tons	400
7. <i>Fertilisers.</i> Average 4 cwts. per year at Rs. 600 per ton for 2 years	240
8. Labour first year to include nursery and nursery preparation—transplanting and maintenance : both shade and young tea	1,500
2nd and 3rd year at the rate of Rs. 500 per year	1,000
Approximately : up to 3 years	3,725

19. The United Planters' Association of Southern India, Coonoor, have estimated the expenditure for replanting as varying between Rs. 2,115 and Rs. 3,650. The estimate according to the Indian Tea Planters' Association, Jalpaiguri, is about Rs. 2,500 for new planting. The above figures are exclusive of the cost of land, buildings, tea factory and administrative supervision and other charges. Details are given in Annexure XXX.

Annexure XXIX also shows for different regions the range of expenditure of cost for new planting and replanting and the number of gardens in each area furnishing the estimates. In Assam nearly 50% of the returns received for new planting give estimates between Rs. 1,000—3,000 per acre and 11% give estimates of over Rs. 5,000. Similarly for replanting about 50% give estimates ranging between Rs. 1,000—3,000 and 10% over Rs. 5,000 per acre. For the other regions the percentages are as follows.

Name of region	Percentage	Range for replanting	Range for new planting
Cachhar	66	500—2,000	1,000—2,500
Darjeeling	66	3,000—5,000	1,000—3,000
Dooars and Terai	66	500—2,500	1,000—3,000
South India	60	2,500—4,000	3,000—4,000

21. The estimates are on the whole higher for Darjeeling and South India. The hilly nature of the terrain in these areas is apparently the reason for this.

22. Apart from financial difficulties, another difficulty which was brought to our notice in the matter of replanting was the shortage of quality seeds. The Tocklai Station recommends hedge planting as a routine measure in the interests of increased productivity as hedge planting will provide a larger number of bushes per acre. It has been mentioned that for hedge planting at 5' x 2' the quantity of tea seed required per acre will be 2/3 maunds allowing for vigorous nursery selection. Some of the gardens have their own seed baris to meet their needs, but most are dependent on tea seed companies which

specialise in the production and sale of tea seeds. We understand that there are 65 such tea seed companies who in 1954 supplied about 4.794 maunds of tea seeds. Annexure XVIII gives the quantities produced and sold by them in the 3 years 1952-54. These sources of supply will not be in a position to meet the industry's demand if replanting is to be given an impetus. It is, therefore, necessary to make special arrangements for the provision of selected tea seeds and other good planting material and we consider that this is one of the important responsibilities which the Tea Board should take up. To build up sources of supply suitably distributed in the different tea areas adequate for the needs of the whole industry will no doubt take time, but a beginning should be made without delay. Selected tea seeds are being sold now at prices ranging from Rs. 250 to Rs. 350 per maund depending on the *jat* or quality.

Tea replanting fund—creation recommended

23. We have observed already that in spite of the need for an adequate programme of replanting, progress has been slow. It may be that some of the more far-sighted managements have on hand programmes of replanting but the industry as a whole has been tardy in this matter. In view of the importance, from the national point of view, of keeping the plantations in a continuing state of vigour, we feel that the situation needs some positive action on the part of the Tea Board and the Government. We recommended that the following action should be taken to rectify the present state of affairs. The tea gardens should be required to lay aside every year a certain sum of money for the purpose of financing programmes of replanting. The laying down of a specific figure per acre that should be so set apart by each garden is undoubtedly a difficult matter in view of the wide differences in estimated costs of replanting. If the cost of replanting an acre and tending it for a period of 5 years before plucking starts, is taken to be Rs. 3,000, the amount to be laid aside each year for implementing replanting programmes will be Rs. 50 per acre assuming the economic life of the tea bush to be 60 years. This is at best only an approximation. It will be necessary for the Tea Board to make a more detailed investigation and prescribe suitable figures for the purpose for the different regions. The amount which each garden will have to lay aside for replanting each year under these proposals will be the product of the figure per acre so prescribed and the total planted area of the garden. The amount should be credited each year with the Tea Board in a fund which may be called the Tea Replanting fund to be specifically established by the Tea Board for the purpose. The amount paid in by each garden should be held in the fund by the Tea Board to the credit of the garden concerned. The corpus of the Tea Replanting fund can be invested by the Tea Board in suitable securities approved by Government, the benefit of the interest earned being given to the contributing gardens, after meeting the Tea Board's charges for administering the fund. Tea gardens contributing to the Replanting fund should be allowed to withdraw from the fund such amounts as may be necessary for the purpose of replanting.

according to a programme approved by the Tea Board. Withdrawals should not be allowed for any other purpose and if gardens change hands by sale or otherwise, the amount to their credit in the Replanting fund should pass to the new owners along with the garden to be held and utilised in same manner. To ensure that all gardens are brought within the scheme, it will be necessary to resort to legislative compulsion. For this purpose necessary legal powers should be taken by Government by amending the Tea Act. It may be that all the units of the Industry in a particular area may not be able to bear the charge if it is applied uniformly in the area. Consequently in the enactment there should be an enabling provision for special treatment being meted to such weak units. As gardens of 100 acres and above fall in the more organised section of the industry, the scheme may be applied only to them in the first instance.

The tea Replanting fund to be exempt from income-tax—all replanting expense to be an admissible expense under the Income-tax Rule 24

24. The Replanting fund to be built up by compulsory annual contributions by the gardens under the scheme mentioned above is in reality a depreciation fund to provide for the replacement of the bushes which are a wasting asset. We recommend, therefore, that the contributions to the fund made by the tea gardens should be allowed as an admissible charge for the purpose of computing Income-tax. The scheme will thus provide for the funding every year of an amount considered necessary as a charge of 1-2/3% on the planted area of each garden at rates prescribed by different regions by the Tea Board after necessary investigation. It may not be necessary to replant 1-2/3% of the planted area in every garden in each year. It may be more convenient and economic to replant larger areas at longer intervals. As the annual contributions of gardens to the fund will be cumulative there will be no difficulty in phasing suitably the replanting programme. While this will ensure necessary financial provision for replacing of bushes which will get depreciated hereafter, it will not provide funds to make up for past arrears in replanting. We have already seen that of the total area covered by replies to the relevant question of our questionnaire (4,27,210 acres) as much as 29.52% consists of bushes planted before 1900 and thus due for replanting within the next few years. The arrears to be made up are considerable and to make up for it a charge of replanting of any bush more than 1-2/3% per year will be necessary. The actual expenditure incurred in such replanting, though in excess of the amount which under our proposals will in any case have to be credited to the Replanting fund, should continue to be an item of expenditure allowable for purposes of computing the taxable income as it is at present under the proviso to rule 24 of the Indian Income-tax rules. It has to be mentioned that in many estates rehabilitation is necessary not only as regards tea bushes but also as regards plant and machinery and other fixed equipment. Some of the gardens are working with old and worn out machinery which affects the quality of tea manufactured by them. These old and worn out machinery would require replacement.

25. We, therefore, recommend that the Tea Board in consultation with the producers concerned should draw up a programme of phased replanting as well as replacement and renewal of plant and machinery, so that within a reasonable period of time the arrears may be made up. After such a phased programme has been drawn up, Government should take steps to ensure that the necessary financial provision for it is made by various gardens before they declare dividends or repatriate profits. To assist the estates in framing such programmes, co-ordinating and implementing them in the proper manner, there should be a development staff with the Tea Board, who should be responsible for this work. This staff should be distinct from the staff for rendering advisory service in regard to which we have made recommendation in a subsequent chapter. As the need to maintain estates in a state of continued efficiency is paramount, we further recommend that Government should assume legal powers to make investigations and issue such directions as may be found necessary for the proper maintenance of fixed assets including replanting in any tea estate. This may be done by a suitable amendment of the Tea Act. It may be mentioned that wide powers for investigation and issuing of directives have already been taken by Government under Sections 15 and 16 of the Industries (Development and Regulation) Act as regards industries which come under its schedule. The provisions of the British Agricultural Act, 1947 under which directives can be issued for proper land management and husbandry have also relevance in this connection.

Provision for replanting expenses when estates change hands

26. In the previous paragraph we have expressed the hope that the industry will make every effort to make up as soon as possible the previous arrears in replanting. When ownership of gardens continues unchanged over a long period of time such hopes are more likely to be realised, provided of course there is sufficient prudence and forethought on the part of the management. When, however, gardens which are in heavy arrears of replanting change hands by sale, difficulties are likely to arise especially when the buyers have not given adequate consideration to the needs of rehabilitation and provided the necessary finance for it. During the course of our tours we came across cases where gardens in need of extensive replanting to keep up their economic productivity had changed hands in recent years and it appeared doubtful if the necessary financial provision for replanting would be forthcoming from the present owners. This state of affairs, if left unchecked, can obviously land the industry in serious economic difficulties in course of time. We accordingly recommend that when tea gardens of 100 acres or more are sold the approval of the Tea Board should be obtained. The Tea Board should arrange to make an assessment of the age of the tea bushes in different blocks of the garden and the amount of money required to finance the replanting of the existing bushes as and when they become due for replanting on the basis of 60 years of economic life. This assessment could be made with reference to the records maintained by the garden

showing the age of plants where these are available, and by local inspection. The assessment should be done with the help of a body of expert planters selected from a panel of names commanding the confidence of the industry constituted in consultation with the industry. On the basis of this assessment the buyer should be required to credit to the Tea Replanting fund an amount computed by the Tea Board as necessary for financing the replanting of the existing bushes when they become due for replanting. The computation should be based on the rate per acre prescribed for each region by the Tea Board for the purpose of fixing the annual contribution from gardens to the Tea Replanting fund under the scheme mentioned earlier. This lump sum contribution to the Replanting fund by the new buyer of an estate should be prescribed as a condition necessary for his registration in the Tea Board; also, in the case of sales of Sterling capital estates repatriation of sale proceeds should be permitted by the Reserve Bank of India only after it has ascertained from the Tea Board that the necessary contribution to the Replanting fund for the estate has been made. If such provision is made, the essential requirements of rehabilitation are not likely to be neglected and all the evils resulting from such neglect will be avoided.

CHAPTER VI

METHODS OF PRODUCTION—A DESCRIPTION

1. Before going into the costs of tea production, it will be useful to give a brief account of how tea is made from “two leaves and a bud”.

Plucking—‘fine’ and ‘coarse’

2. The harvesting of tea leaves from the bushes in the plantation goes by the name of plucking. It is an important operation because the quality of manufactured tea will depend upon the care and attention with which plucking is done. In India plucking is done by hand and women are largely employed in the operation. The young freshly sprouted leaves are plucked, the accepted formula for normal plucking being “two leaves and a bud”; anything less than this being considered “fine” plucking and the inclusion of more leaves being considered “coarse plucking”. Coarse plucking increases the size of the crop and also provides increased remuneration to the plucker, plucking wages being dependent partly on the weight of the leaves plucked. There is, therefore, a temptation to resort to coarse plucking especially when tea prices are high. Any excessive indulgence in this will affect the quality of tea and, therefore, the prices and this acts as a corrective. Within limits it is, however, possible for the industry to adjust supplies by suitable adjustment in plucking and this is sometimes resorted to for the regulation of crops.

3. The plucking cycle differs in different regions. In the plains districts of North India during the season the bushes are usually plucked once every seven or eight days. In the higher regions where the rate of growth is slower, the plucking rounds cover a longer period and the interval may go upto twelve or fourteen days. In South India plucking goes on throughout the year, but in the North where hot and cold weather seasons are more clearly marked there is no plucking in the cold season, that is from November or December till March or April.

Withering

4. The plucked green leaf brought to the factory undergoes the following process of manufacture before it emerges as the black tea of commerce. The green leaves are first spread out in thin layers in specially prepared racks made of wire mesh or hessian cloth arranged in withering sheds. They are left there for a period of about 18 hours to get a good “wither”. During this process they lose a good deal of moisture and become placid so that they can be easily rolled. In the plains districts of North India, the withering sheds are usually separate from the main factory building and withering is done by the natural circulation of the atmospheric air. In Darjeeling and the hill districts of the South where prevailing low temperatures and humidity conditions do not permit of natural withering, the withering lofts are often

built over the factories so that heated air from the driers of the factory can be conducted into the lofts and circulated over the withering racks to promote withering.

Rolling and fermentation

5. After the desired degree of wither is obtained the leaves are subjected to a process called rolling. The object of this is to break down the leaf cells and release the juices and enzymes contained in them. The tea rolling machine essentially consists of a rotating table with a brass or hard-wood surface on which there are usually some protruberances. On the rotating table is super-imposed a large container usually of brass, open at the top and bottom, through which the withered leaf is fed into the machine on to the table. In most cases this container also rotates. The pressure to which the leaf is subjected between the table and the container is adjustable. The rolling action of the machine twists the leaves and breaks the leaf cells as a consequence of which the leaf juices ooze out and become subject to the action of the atmosphere. A process of oxidation (called fermentation in the industry) starts and the leaf begins to change colour and release its characteristic aroma. The degree of rolling required will depend on the condition of the wither and requirements of manufacture.

6. The rolled leaf leaves the roller in the form of twisted balls which are put through roll breakers. These are in essence sieves with large meshes which are subjected to mechanical vibration. The well rolled finer particles which get through the sieve of the roll breaker are removed and the coarser material left on top is again put through the rolling machine and the process is repeated. The rolled leaf finally obtained from the roll breakers is taken to the fermenting room where it is arranged in thin layers on suitable surfaces which may be either tiled or cement floors or platforms or glass covered tables. The atmosphere of the fermenting room is kept cool and humid, sometimes with the help of wet screens or suitable water sprays. Fermentation is a process of oxidation during which the rolled leaf undergoes certain chemical changes. The colour changes during the process from the original green to redish rue of copper. The time required for fermenting, which depends on various factors, may vary from about 20 minutes to one hour.

Drying

7. When the desired degree of fermentation has taken place, the fermented leaves are removed to the driers. The drier, in essence, consists of a large enclosed chamber inside which there are moving trays in which the fermented tea is put. Hot air from the drier furnace is forced into the chamber and the moving trays travel in this hot air and get the necessary degree of dessication. The nature of drying and the intensity of heat to which the tea is subjected in the machine will affect the quality of tea. The adjustment of temperatures and the speed of the machines require skill and experience.

Grading

8. The manufactured tea which comes out of the drier is then sorted and graded with the help of sorting machines. The sorting machines in essence are mechanically vibrated sieves or tables which sift the teas and separate them into particles of different sizes. The larger particles emerging are sometimes cut into smaller bits with the help of cutting machines before grading. The grading of tea has reference only to the size and appearance of the processed leaf and not to quality or flavour. The two main classifications in grading are leaf grades and broken grades. Broken grades, as the name implies, consist of the smaller particles resulting from the sifting or sorting of tea and the leaf grades consist of the large particles left after the broken grades are removed. The more important leaf grades are known to the trade as Orange Pekoe, Pekoe and Pekoe Souchong and the more important broken grades are Broken Orange Pekoe, Broken Pekoe, Broken Pekoe Souchong, Fannings and Dust. The names and gradings are based on the traditions and customs of the tea trade and do not have any other significance.

Packing

9. After the tea is sorted and graded it is examined and, if necessary, sieved for the removal of stalks or foreign matter and stored in bins till a sufficient quantity accumulates. The tea is then packed for despatch. The container in almost universal use for packing tea is the plywood tea chest with aluminium foil lining. The usual size of chests used for packing leaf grades and broken grades except dust and fannings is 19" × 19" × 24", which will carry about 104 to 106 lbs. of leaf and broken grades. Dust and fannings are usually packed in smaller chests carrying about 86 lbs. of tea. Packing machines for vibrating the chests, when packing, are often used to get a tight pack. After packing, the necessary marks for identification of the origin and contents of the chests are stencilled on the packages in the customary manner. The chests are then ready for despatch.

10. As every large and medium sized estate has its own factory, it enables the management to bestow close supervision on all the processes from the plucking of the leaves to the packing of the manufactured tea. It is this factor that helps to a considerable extent maintenance of uniformity of standards in the quality of tea manufactured by such estates. In the case of the small producer who sells his green leaf, this type of supervision from start to finish is absent and this tells on the quality of tea produced by factories whose main source of green leaf is what they buy from others. In a subsequent chapter we have dealt at length on the problems of this type of factories and small growers.

Manufacture of green tea

11. Apart from black tea, the manufacture of which has been described in the previous paragraphs, a small proportion of green tea is also manufactured in India. The proportion of green tea made in this country is only about 2·3% of the total production. For the

manufacture of green tea, immediately after plucking, instead of proceeding to wither, roll and ferment the leaf as is done in the case of black tea manufacture, the fresh green leaf is subjected to heat treatment by steaming or roasting. This heat treatment destroys the enzymes and prevents fermentation. The green leaf, after the heat treatment, is rolled and dried, the process being repeated till the desired degree of dryness is obtained. Where green tea is manufactured in substantial quantities the rolling and drying machines are similar to those used for the manufacture of black tea. For the initial steaming separate equipment is used. Throughout the Kangra Valley the small producers use hand processes for the manufacture of green tea, the green leaf is roasted over a fire in pans and then placed on mats on the floor and rolled by hand.

CHAPTER VII

COST OF PRODUCTION OF TEA

One of the specific terms of reference of our commission is to “examine the method and the cost of production of tea”. We have described the methods of production in chapter VI and we have discussed the methods for increasing productivity in chapter VIII. In this chapter we have made an attempt to estimate the cost of production of tea in India during the four years 1950 to 1953 and the percentage changes that have taken place in 1953 as compared with 1950.

Importance of cost of production

The cost of production of a commodity plays an important role in the economy of the industry concerned. It forms the most important constituent part of the retail price of tea; the other constituent parts influencing the price of tea being a minimum return on the capital invested, taxation other than taxes on income on the part of local, State, and Central Governments, cost of blending, and wholesalers' and retailers' charges. Changes in cost of production are *prima facie* indications of the competitive position of the industry in the international market and its profitability.

Earlier enquiries regarding costs

2. Some attempts had been made earlier also to estimate the cost of production of tea, namely the Report of the Cachar Plantation Enquiry Committee. (pages 103 and 104), Report of the *Ad Hoc* Committee on Tea, (chapter III), Report of the Official Tea on the Tea Industry, 1952, (Appendix 'C' Cost Accountant's Report), and the Report and Recommendations of the Special Officer appointed by the late Central Tea Board for the survey of marginal tea gardens in Cachar and Tripura (pages 24 and 25). However, the coverage in these enquiries was rather limited. We have made an attempt to give fairly exhaustive data regarding cost of production of tea during the years 1950 to 1953.

Sources of our data and coverage

3. With a view to elicit necessary data regarding cost of production of tea, we issued, along with our questionnaire, a Proforma 'C' with necessary instructions (*vide* Appendix II). This proforma was to be answered by each estate or by proprietors, companies, or managing agents on behalf of a group of estates. The proformas elicited some particulars about each estate together with figures of costs of production of tea divided under the major heads of cultivation, gathering of crop, manufacture, general charges, packing, selling expenses, etc. This proforma was issued to all registered estates with an area of 100 acres and above. The total number of proforma 'C' sent out was 1,264; out of these 817 were returned to us. The percentage of response was

64·7%. The completed* Proformas represent 76% of area under tea and 80·9% of production of tea in 1953. The responsibility of sending in these completed proformas was primarily with the estates concerned. The various producers' organisations, however, helped the commission in securing replies from their member estates. The returns were also scrutinised by our office by reducing the costs under each sub-head to 100 lbs., and wherever obvious discrepancies were suspected references were made to respective estates and corrections, wherever necessary, were incorporated before the figures were consolidated.

Further, with a view to have an inquiry into cost of production of tea under the direct supervision of Government cost accountants and to provide a test check, we took a stratified random sample of 47 estates (*vide* Appendix IX). Out of these, 45 estates were actually investigated by cost accountants of the Ministry of Finance; their reports† are given in Appendices XIV & XV. These reports relate to cost of production in 31,188 acres of tea. These thus represent 4% of total area as well as 4% of tea production in the year 1953.

We have tried to secure some data regarding cost of production of tea in holdings below 100 acres with the help of the State Governments of Punjab, Madras, Tripura and Assam. A simple 'proforma' (*vide* Appendix VI) had been prepared to collect this information. We have received 62 returns in all. These represent only 10% of area and 7% of production in tea holdings below 100 acres.

Also, we have taken note of data supplied to us and to some other governmental agencies by some of the producers' organisations.

Definition of cost of production

4. The term 'cost of production' as used in this chapter includes all expenses on cultivation, gathering, manufacturing, and marketing of tea crop in India; it includes general charges relating to office expenses at the estate and at the head office and other expenses on medical aid and other labour welfare measures. It, however, excludes expenditure on commission to managing agents and others (unless otherwise stated), interest charges, taxation, etc.

NOTE :—*Management-wise, they represent 67·1% of area under Sterling Companies, 99·8% of the area under Rupee Non-Indian controlled Companies, and proprietors and 96·3% of the area under Indian controlled companies, and proprietors. In the section on Indian control, the coverage was 59% when units of 500 acres and above only were considered.

† According to the Cost accountants reports, the causes of high costs were the following:—
Non-Indian Rupee companies :— Managing agency commission based on sales and manager's commission based on profit ; High costs of recruiting labour and high salaries of tea makers ; Heavy building repairs shown under current expenditure ; Excessive payments in the name of technical consultants and employment and additional assistants and increase in overseas pension.

Sterling :—General increase in salaries and allowances and employment of extra European assistants—cost of recruitment and medical facilities.

Indian :—Low yields due to low costs ; More expenses under salaries, plucking and depreciation ; All directors taking a commission of 5% on profit.

Our approach in the analysis of cost data

5. The cost of production data has been analysed in the following three important ways:—

(i) *Region-wise.*—We have analysed the data for India as a whole and also separately for Northern India and Southern India. Further, for both the North and the South, figures have been analysed for the various tea producing regions. Northern India is much more important than Southern India in tea production. However, in order to bring out the relative importance of costs of production in the North and South more clearly, weighted averages (based on production) have been used.

(ii) *Item-wise.* Secondly, we have analysed the cost data under the various major and minor items of expenditure included in pro-forma 'C'. We have combined this analysis with region-wise analysis also. We have indicated the proportions which these items bear to total costs.

(iii) *Management-wise.*—As the type of management of an estate might have a bearing on its costs of production, we have analysed our data on this basis also. The basis for various sub-heads under Indian and Non-Indian managements has been pointed out in chapter III. The relative importance of each type of management, however, differs considerably. The following table, which should always be kept in view while evaluating management-wise analysis of costs of production, gives the relative importance of various types of management on the basis of their acreages under tea for the year 1953:—

TABLE XXVIII

Table showing coverage of estates analysed for cost of production

Type of Ownerships/ Management	Planted Acreage	Percentage of total included in this table	Production (in lbs.)	Percentage of total included in this table
1	2	3	4	5
<i>Sterling Companies:</i> —(Controlled by Managing Agents/Secretaries, etc.)	3,96,851	66.04	345,304,375	66.65
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	41,299	6.87	34,385,573	6.64
Partly Indian and Partly Non-Indian	67,124	11.17	59,630,920	11.51
Indian Companies	393	00.07	194,934	0.04
<i>Indian Managing Agents Control :</i>				
Indian	22,283	3.71	19,063,152	3.67
Partly Indian and Partly Non-Indian	13,701	2.28	10,793,719	2.09

1	2	3	4	5
<i>Outside Managing Agents Control :</i>				
Public Ltd., Indian	32,863	5.47	29,118,190	5.63
Private Ltd., Indian	5,128	0.87	3,819,300	0.74
Public Ltd., Non-Indian	443	0.08	336,980	0.08
Private Ltd., Non-Indian	3,621	0.60	2,455,287	0.48
<i>Proprietary/Partnership Concerns :</i>				
Indian	12,576	2.09	9,113,067	1.77
Non-Indian	4,448	0.75	3,618,360	0.70
ALL INDIA	6,00,730	100.00	51,783,357	100.00

Thus we find that Sterling and 'Non-Indian' Rupee estates account for 66.04% & 19.54%, respectively or a total of 85.58% of our coverage; the 'Indian' estates account for only 14.42%. The management-wise analysis has been combined with region-wise and item-wise analysis also. Therefore, when we consider costs, the most representative costs will generally be those that apply to Sterling and Non-Indian estates.

The more important aspects of the analysis under each of these three approaches have been given in the main body of this chapter while the details have been given in the appendices and statements.

The analysis of cost of production undertaken by the cost accountants has been used for purposes of comparison. The reports of the cost accountants for both Northern and Southern India are given in full in Appendices XIV & XV. The cost of production data collected by the State Governments (for estates below 100 acres only) has been analysed and compared with figures for larger estates.

Our cost of production figures refer to four years from 1950 to 1953. While in some cases we have used average figures for these four years, in general we have based our analysis on the data for the year 1953 (*i.e.*, according to our definition, the year ending 30.6.54). This is the latest year for which we have full data. It was, in fact, preceded by the 'crisis' of 1952 and followed by the 'boom' of 1954. Further we have generally compared the figures for 1953 with those for 1950 (the first year of our present inquiry) which was a fairly 'normal' year.

'Size-wise analysis'.—Further, based on about 50% of the coverage of our present enquiry, we have attempted to find correlation between size of estates and costs of production and in this connection we have taken note of yields per acre also in these estates.

Limitations of our cost analysis

6. We have mentioned earlier that the figures for costs of production were supplied to us by the estates concerned. For answering the questionnaire the Commission had issued necessary detailed instructions also (*vide* Appendix II). In such returns, possibility of some overlapping and lack of accuracy in allocation of expenditure under various sub-heads exist though these are not likely to be of any significance.

In the cost of production figures that have been supplied to us, it has not been possible to take account of the quality of tea produced. Therefore, it is not definitely possible to say that a high-cost estate or high-cost management was necessarily worse than a low-cost one. Later on in this chapter, however, we have tried to seek some correlation between costs of production and prices secured for tea by 247 tea companies in 1953 (*See* para. 21).

While we have tried to list the various items of costs in proforma 'C', all these items do not necessarily appear in the actual cost of production of each and every estate. This makes it difficult to compare costs of production in different tea estates. To the extent that some estates do not spend money on some of these items, their expenses will be less. In spite of these limitations, the figures of costs of production arrived at by us on the basis of proforma 'C' returns are by and large dependable (*See* para. 8).

Cost of production of Tea in India and Region-wise

7. On the basis of the proforma 'C' returns received by us, the estimated cost of production of tea is as follows:—

TABLE

Table showing cost of production of tea (1950-53).

(In Rs. per 100 lbs.)						
Year	Northern India (W)		Southern India (W)		India (W)	
	Exclusive of commission to M.A. etc.	Inclusive of commission to M.A. etc.	Exclusive of commission to M.A. etc.	Inclusive of commission to M.A. etc.	Exclusive of commission to M.A. etc.	Inclusive of commission to M.A. etc.
1950 . . .	119·01	125·40	113·59	118·62	118·15	124·33
1951 . . .	134·09	138·39	109·79	114·68	129·88	134·29
1952 . . .	144·50	148·28	120·92	124·05	140·36	144·03
1953 . . .	131·51	140·25	124·72	128·93	131·00	138·07
Average 1950-1953 .	132·28	138·08	117·25	121·57	129·85	135·10

NOTE.—(W) refers to 'weighted average'; weighting has been done on the basis of production of tea.

It appears from the above table that there is a fairly regular tendency towards increase in cost of production both in Northern India as well as in Southern India. In Northern India, the year 1953 shows a fall in the cost of production; this is probably accounted for by the economies which had been introduced by the various estates as a result of depression in the price of tea in 1952. In Southern India, the lowest cost during these years was registered in 1951. For India as a whole, the figures indicate a fairly regular rise in the cost of production of tea except for the year 1953 when economies had been introduced on account of the severe depression experienced by the industry in 1952. Taking the year 1950 as the base we find that in the year 1953 there had been a rise of about 11% in the cost of production of tea for India as a whole, the figures for Northern India and Southern India being about 12% and 10% respectively.

Further we find from this table that the cost of production of tea in Southern India is lower than that in Northern India. The most important reason for this is the fact that while in Southern India production is possible almost all the year round, production in the North is possible for about eight months only. Also, as we have noted in chapter VIII, the wage rates in Southern India had generally been lower than those in Northern India.

With a view to study the regional variations in the cost of production of tea, we have divided Northern India and Southern India into the following zones:—

Northern India.—

(1) Assam. (2) Cachar, (3) Dooars & Terai, (4) Darjeeling, (5) Tripura, and (6) Bihar.

Southern India.—

(1) Malabar & Nilgiri Wynaad, (2) Madras, (3) Travancore-Cochin (4) Coorg, and (5) Mysore.

These regions have some special characteristics with regard to soil and climatic conditions: in some cases the mountainous character of region affects the cost of transport appreciably. The natural conditions affect the yield of crop. The characteristics of each region have already been described in chapter II.

Annexure XXXII gives details regarding planted acreage, production and total costs of production in various regions during the years 1950-53. We find that the two most important regions are the Assam and Dooars, covering 39.7% and 23.7% of area and 45% and 26.8% of production of our cost figures. The total cost of production in Assam in 1953 was Rs. 140.53, and in Dooars Rs. 118.7, indicating a higher cost by Rs. 21.83 per 100 lbs. in Assam. While partly this difference was due to natural and climatic conditions, another important contributory factor for higher costs in Assam was the larger proportion of Sterling (79%) and Non-Indian (14%) estates in Assam as compared with Sterling (50%) and Non-Indian (20%) estates in the Dooars. In these estates the costs were generally higher than those in Indian estates.

The costs in Indian estates were found to be lower particularly under the heads general charges and crop gathering charges. And in the Dooars in general, costs were lower than those in Assam for cultivation, crop-gathering, and general charges. In other regions also wherever we have a larger area under Sterling companies and Non-Indian estates, the costs tend to be higher.

Table XXIX gives the highest and lowest figures for cost of production of tea during the years 1950 to 1953 among these regions in Northern and Southern India.

TABLE XXIX

Table showing the highest and lowest cost of production of tea in the various regions of North and South India.

		(In Rs. per 100 lbs.)			
		1950	1951	1952	1953
North	Highest-Darjeeling . . .	177·69	193·91	205·90	187·54
	Lowest-Bihar . . .	91·74	105·98	114·56 (Tripura)	93·55
(Except the only estate of South Coorg)	Highest-Wynaad . . .	132·29	120·91	138·39	131·35 (T. C. States)
(Excepting Mysore)	Lowest-T. C.	105·97	104·14	115·19	119·03 (Madras)

SOURCE : Returns from Estates.

We find from this table that there are more regional divergencies in the cost of production in the North than in the South. For example in 1953 while the cost of production per 100 lbs. of tea was Rs. 91·46 in Bihar, it was Rs. 187·54 in Darjeeling. The range of variation in the cost of production in South was not much. Excepting the only estate in Coorg included in our returns, the highest cost of production, namely, Rs. 131·35 per 100 lbs., was found in Travancore-Cochin, the lowest being in Madras, namely, Rs. 119·03. In general we may say that during the four years under review, the costs in Darjeeling were almost double of those in Bihar while in the South the divergence between the highest cost and lowest cost regions had not been more than 20%. Darjeeling was the highest cost region in the North as well as in the whole of India; in the South the costliest region was Malabar and Nilgiri Wynaad.

Table XXX shows the distribution of acreages of 417 estates region-wise under various cost groups.

TABLE XXX

Table showing the distribution of acreages of estates Region-wise under various cost-groups.

Region	Number of Estates	Rs. 60—80*		Rs. 81—100*		Rs. 101—120*		Rs. 121—140*		Rs. 141—160*		Rs. 161—180*	
		Acreage	Percent- age	Acreage	Percent- age	Acreage	Percent- age	Acreage	Percent- age	Acreage	Percent- age	Acreage	Percent- age
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Assam . .	190	...	...	4,147	2.2	13,202	7.2	30,053	16.4	41,164	22.5	50,711	27.7
Cachar . .	38	1,053	3.8	1,274	4.5	13,449	48.0	5,495	19.6	6,189	22.1	499	1.8
Dooars . .	104	1,608	1.9	9,140	10.6	27,639	32.1	20,299	23.5	13,064	15.1	12,263	14.2
Tripura . .	7	764	38.7	772	39.1	439	22.2	...	...	...	...	...	...
Darjeeling . .	35	...	...	1,974	10.6	2,585	14.6	1,615	8.7	2,532	13.7	1,330	7.2
Bihaar . .	5	...	...	558	20.6	926	34.3	...	...	...	...	1,218	45.1
South India . .	38	342	1.6	212	1.0	2,913	13.6	710.21	55.9	5,245	24.4	475	2.2
TOTAL . .	417	3,777	1.1	18,077	5.3	61,153	17.0	69,476	20.3	68,194	19.9	66,496	19.4

TABLE XXX—contd.

Table showing the distribution of acreages of estates Region-wise under various cost-groups.

Region	Rs. 181—200 *		Rs. 201—220 *		Rs. 221—240 *		Over Rs. 240 *		Total	
	Acreage	Percent- age	Acreage	Percent- age	Acreage	Percent- age	Acreage	Percent- age	Acreage	Percent- age
	15	16	17	18	19	20	21	22	23	24
Assam	41,568	22.7	1,401	0.8	...	...	981	0.5	1,83,227	100
Cachar . . . . .	...	...	...	...	...	...	...	...	27,969	100
Dooars	1,594	1.9	618	0.7	...	...	...	...	86,225	100
Tripura . . . . .	...	...	...	...	...	...	...	...	1,975	100
Darjeeling	3,013	16.3	3,062	16.6	909	4.9	1,481	8.0	18,501	100
Bihar . . . . .	...	...	...	...	...	...	...	...	2,702	100
South India . . . . .	...	...	...	...	...	...	286	1.3	21,487	100
TOTAL	46,175	13.5	5,081	1.5	909	0.3	2,748	0.8	3,42,086	100

NOTE:—* Per 100 lbs.

SOURCE :—Returns from estates.

Comparison of cost of production figures of Proforma 'C' with those of Cost Accounts' reports

8. The Cost Accountants' reports regarding cost of production of tea (for details *see* Appendices XIV and XV) in Northern and Southern India give the following figures :

Total average cost of production per 100 lbs. of tea for India

	(In Rs. per 100 lbs.)			
	1950	1951	1952	1953
<i>Based on Cost Accountant's reports regarding Cost of production in sampled tea estates.</i>				
Northern India	122·12 (100)	136·18 (111)	142·31 (117)	124·62 (102)
Southern India	100·62 (100)	101·56 (101)	119·50 (119)	106·62 (106)
ALL INDIA	116·63 (100)	128·13 (109·8)	137·00 (117·46)	119·81 (102·73)

(Average for the years 1950-1953 for India—W.) Rs. 125·11 per 100 lbs.

Based on Proforma "C" excluding commission to Managing Agents etc.

North (Weighted)	119·01 (100)	134·09 (113)	144·50 (121)	131·51 (110)
South (Weighted).	113·59 (100)	109·79 (97)	120·92 (106)	124·72 (110)
India (Weighted)	118·15 (100)	129·88 (110)	140·36 (119)	131·00 (111)

(Average for the years 1950-1953 for India—W.) Rs. 129·85 per 100 lbs.

NOTE:—Figures in brackets are Index number of costs with 1950 as base 100....

We find that according to the data collected by the cost accountants, the cost of production of tea in 1953, compared with that in 1950, has increased by only 2·73%, though in 1952 the increase amounted to 17·4%. Further we find that the cost of production for India as a whole for the four years 1950-1953 as arrived at by the cost accountants is about 3% lower than that indicated by the cost returns in Proforma 'C'. The difference was more marked in the South than in the North. For India as a whole the difference was less than 1½% in 1950 but it has been increasing every year; in 1953 it was about 10%. This larger difference may be partly due to the varying degrees of economies practised to meet the 1952 crisis in the estates covered by the cost accountants and by proforma 'C'. While the figures collected by the cost accountants for the 45 Sampled estates are as accurate as could possibly be gathered, the coverage under proforma 'C' is much more (over 800 estates). We may, therefore, by and large depend upon figures compiled on the basis of cost returns in proforma 'C'.

9. The cost of production of tea per 100 lbs. for holdings whose size is less than 100 acres comes to Rs. 111·76 for Assam, Rs. 88·86 for Cachar, Rs. 83·94 for Tripura, Rs. 123·41 for Madras and Rs. 112·06 for Punjab for the year 1953. This data has been collected

through the State Governments concerned (*vide* Annexure XXXIII). In each case these figures are lower than the figures for estates of 100 acres and above*. The largest variation is shown in Cachar while the variation in Madras is extremely small. The statement referred to above also indicates that the lower costs in case of small holdings are due to low expenditure on spraying and dusting, plucking, packing, transport, and more particularly, very low expenditure on clerical expenses. The small holdings form only 2·47 per cent. and 10·16 per cent. of the total area under tea cultivation in Northern and Southern India respectively. The figure for India as a whole is only 4·17 per cent. (*vide* Chapter XVIII).

The yield per acre in case of small holdings is very much lower as compared with the yield in other holdings. This has been clearly indicated in Annexure XXXIII.

In view of the limited area under small holdings and their low yield per acre, they contribute comparatively little to the total production of tea in India. However, a large number of small holders depend for their living on these small tea holdings. The human aspect of the problem is, therefore, very important. We have offered suggestions for improving these small estates in our chapter on 'small producer'. It is sufficient to note here that the cost of production figures collected by the State Governments for these holdings are not at variance with the cost of production figures provided by the cost accountants and by proforma 'C'.

Cost of production. Major item-cum-regional wise

10. As mentioned earlier, we have sub-divided the cost of production under six heads, namely, cultivation costs, charges for gathering of crop, manufacturing costs, general charges, packing charges and selling expenses. In the following six tables we have given the highest and lowest figures of costs for Northern India and Southern India for each of these sub-heads during the years 1950-53. To facilitate comparison the average cost of production under each of these sub-heads for Northern India and Southern India and India as a whole has also been given in these tables. Full regional details, according to each item of expenditure for the four years 1950-53 are given in Annexure XXXIV.

TABLE XXXI

Table showing costs of cultivation in Northern and Southern India (highest & lowest).

		(In Rs. per 100 lbs.)			
		1950	1951	1952	1953
<i>North :—</i>					
Highest—Darjeeling	. . .	34·63	39·29	40·67	31·70
Lowest—Bihar	. . .	10·49	15·97	17·72	12·43
<i>Average</i>		20·57	23·13	24·46	20·13

NOTE:— * No cost data for Punjab for estates over 100 acres.

	1950	1951	1952	1953
<i>South :—</i>				
Highest—Wynaad (Except Coorg)	29.35	27.63	35.11	30.02 (T.C.)
Lowest—Madras (Except Mysore)	23.30	22.26	25.49	23.19
<i>Average</i>	24.86	23.43	28.47	27.41
<i>India :</i>				
<i>Average</i>	21.24	23.19	25.15	21.55

TABLE XXXI-A

*Table showing costs of crop-gathering in Northern and Southern India
(highest and lowest).*

(In Rs. per 100 lbs.)

	1950	1951	1952	1953
<i>North :—</i>				
Highest—Darjeeling	27.53	29.01	34.05	32.25
Lowest—Bihar (Except Tripura)	14.27	16.03	17.86	15.24
<i>Average</i>	17.35	18.46	20.80	19.26
<i>South :—</i>				
Highest—Wynaads	23.40	22.37 (Madras)	24.84	27.36 (T. C.)
Lowest—T. C. (Except Mysore)	21.40	20.13	22.32	23.36 (Madras)
<i>Average</i>	22.28	21.18	23.01	25.10
<i>India :—</i>				
<i>Average</i>	18.12	18.94	21.19	20.38

TABLE XXXI-B

*Table showing manufacturing costs in Northern and Southern India
(highest and lowest).*

(In Rs. per 100 lbs.)				
	1950	1951	1952	1953
<i>North :—</i>				
Highest—Darjeeling	22·25	26·87	29·12 (Dooars & Terai)	24·30
Lowest—Tripura	18·24	15·99	18·38	16·40 (Bihar)
<i>Average</i>	20·05	22·27	25·37	22·06
<i>South :—</i>				
Highest—Wynaad (except Mysore & Coorg)	12·38	11·08	13·04 (T. C.)	14·54 (T. C.)
Lowest—Madras	10·50	10·68	12·34 (Wynaad)	10·66 (Wynaad)
<i>Average</i>	11·26	10·93	12·77	12·87
<i>India :—</i>				
<i>Average</i>	18·67	20·27	23·17	20·29

TABLE XXXI-C

*Table showing general charges in Northern and Southern India
(highest and lowest)*

(In Rs. per 100 lbs.)				
	1950	1951	1952	1953
<i>North :—</i>				
Highest—Darjeeling	71·23	70·03	77·01	80·19
Lowest—Dooars & Terai	36·65	39·89	43·68 (Except Tripura)	41·78 (Except Bihar)
<i>Average</i>	45·61	47·89	50·56	50·03
<i>South :—</i>				
Highest—Wynaad	54·57	47·15 (except Mysore)	51·68	48·00 (T. C.)
Lowest—T. C. (except Mysore & Coorg).	41·28	41·56	32·34	46·06 (Wynaad)
<i>Average</i>	45·67	43·49	43·70	47·49
<i>India :—</i>				
<i>Average</i>	45·61	47·12	49·35	49·54

TABLE XXXI-D

*Table showing packing charges in Northern and Southern India
(highest and lowest).*

	(In Rs. per 100 lbs.)			
	1950	1951	1952	1953
<i>North :—</i>				
Highest—Darjeeling	13.70	14.67	14.36	11.44 (Dooars & Terai)
Lowest—Assam (except Bihar & Tripura 8.04)	11.37	10.86	11.38 (Cachar)	10.70 (Cachar)
<i>Average</i> .	11.51	11.35	12.08	11.30
<i>South :—</i>				
Highest—Madras(except Coorg) 10.75/12.51	9.71	10.29	10.80 (Wynaad)	10.00 (T. C.)
Lowest— T. C. (except Mysore & Coorg) .	9.05	9.28	9.52	5.16 (Wynaad)
<i>Average</i> .	9.36	9.70	10.08	8.84
<i>India :—</i>				
<i>Average</i> .	11.18	11.12	11.73	10.82

TABLE XXXI-E

*Table showing selling expenses in Northern and Southern India
(highest and lowest)*

	(In Rs. per 100 lbs.)			
	1950	1951	1952	1953
<i>North :—</i>				
Highest—Darjeeling (except Tripura) .	15.31	18.02	15.57 (Dooars & Terai)	17.93 (Dooars & Terai)
Tripura	(22.97)	(19.92)	(19.59)	(19.18)
Lowest—Cachar (Except Bihar)	8.85	13.67 (Assam)	14.34	17.09
Bihar	(6.29)	(5.37)	(7.71)	(7.30)
<i>Average</i> .	10.31	15.29	15.01	17.46
<i>South :—</i>				
Highest—Madras	7.32	8.42	7.92	9.36
Lowest—T. C. (except Mysore & Coorg). .	4.03	4.55 (Wynaad)	5.04 (except Mysore)	5.73
<i>Average</i> .	5.19	5.95	6.02	5.22
<i>India :—</i>				
<i>Average</i> .	9.51	13.65	13.43	15.50

We find that so far as costs of cultivation are concerned, South Indian averages are definitely higher than those for the North; for the year 1953 the South Indian costs are almost 33% higher than those for Northern India. Also we find that there are greater regional variations in the North than those in the South. Compared with 1950, the increase in costs under this head has been 10·25% in the South, and 1·45% in India; in the North the cost has slightly fallen by 2·04%.

The charges for gathering of crop (please *see* Table XXXI-A) are also higher in the South than in the North and again Northern India shows greater regional variations. We find that the charges for gathering of crop show greater increase than in the case of costs of cultivation. Compared with 1950, the crop-gathering charges in 1953 increased by 11% in the North, 12·65% in the South, and 12·47% in India.

The manufacturing costs (please *see* Table XXXI-B) indicate a great difference between the North and South, perhaps due to seasonal nature of tea manufacture in Northern India. Compared with 1950, the increase in cost of production under this head has been 9·97% for the North, 14·29% in the South, and 8·67% for the whole country.

The costs under general charges (please *see* Table XXXI-C) are also lower in Southern India. While inter-region variations are little in the South, these are very great in the North. As compared with 1950, the general charges in 1953 show an increase of 8·62% for the whole of India; in the South, the charges have increased by 3·99% and in the North by 9·69%.

Packing Charges.—Packing charges also have been lower in Southern India (please *see* Table XXXI-D). Except for the year 1952 other years show a regular decrease in cost of packing. The cost of packing in 1953 was lower by 3·22% than that in 1950, the decrease in the North and South being 1·82% and 5·56% respectively. This is perhaps due to the improvement that has taken place in the Tea Chest industry.

Selling expenses show a very wide divergence between the North and the south (please *see* Table XXXI-E). While the average selling expenses amounted to Rs. 17·46 in Northern India in 1953, these amounted to Rs. 7·22 only in the South for the same year. Also, we find that the selling expenses show an increase of 62·99% during the four years under review. The increase in selling expenses is particularly high in Northern India—69·35%; in the South the increase is 39·11%.

Comparison of costs in 1950 and 1953 region-wise

11. Annexure XXXV give details regarding percentage rise or fall in major heads of costs of production in 1953 as compared with 1950.

In Northern India costs of cultivation fell by about 2% in 1953 whereas in Southern India these increased by about 10%, as compared with a fall of 1.45% for India as a whole. In all the regions in Northern India excepting Assam and Bihar, there has been a fall, the maximum being in Tripura at 37%, with Cachar coming next at 27%. Under the items general field works, filling in vacancies, and manuring, the decrease generally ranged between 15 and 44%. In Southern India there was a fall in all the regions excepting Travancore-Cochin, and Mysore. The Wynaads registered the maximum fall at 18%. Mysore showed the maximum increase at 42% (general field works 10%, filling in vacancies 16.3%, and manuring 10.6%); the increase in Travancore-Cochin was 23%.

Under crop gathering charges, there was an increase of 11% in Northern India and 12.6% in Southern India compared with 12.47% for India as a whole. In Cachar there was a fall of 4.4%. In all other regions in Northern India there was an increase, the maximum being in Tripura (21%), with Assam coming next at 19.5%. In Southern India there was very small fall in the Wynaads and Coorg and a rise in all other regions, the maximum being in Travancore-Cochin at 28%. The costs under the most important item—plucking showed a rise of 24% in Tripura and 25% in Travancore-Cochin.

Manufacturing charges increased by 8.67% in India, about 10% in Northern India and about 14% in Southern India. In Northern India the maximum increase, covering almost all the items, was in Assam at 18% and the maximum fall mainly under the items wages of factory labour and stores purchased, was in Bihar, also at 18%. In Southern India, the maximum increase was in Travancore-Cochin at 29%, mainly under the item 'wages of factory labour'. The Wynaads registered a fall of 14%.

General charges rose by 8.62% in India, 9.7% in Northern India and 4% in Southern India. In Northern India the maximum increase was 14% in Dooars, Bihar showing the maximum fall at 7%. In Southern India the only rise was in Travancore-Cochin at 16%. Other regions in the South showed a fall ranging between 5 and 15%, the Wynaads registering the maximum fall at 15%. Expenditure under the items, commission to managers and staff, etc., and estate and head office expenses rose in almost all the regions in Northern India and fell in almost all the regions in Southern India.

Packing expenses fell by 3.22 per cent. in India, 1.82% in Northern India and 5.56% in Southern India. The maximum fall in Northern India was in Tripura at 33% (mainly under the item cost of tea chests); Darjeeling came next at 20%. In Southern India the maximum fall was in the Wynaads at 46% (a fall under the item cost of tea chests being 62%); Travancore-Cochin registered the maximum rise at 10%.

Under selling expenses, there was an increase of about 63% for India, 69% for Northern India, and 39% for Southern India. In Northern India excepting Tripura (where there was a fall of 16%), all

other regions registered an increase (two items freight and transport charges) and forwarding and other selling expenses accounting for increases of 108% and 116%, the maximum being in Cachar at 93%. In Southern India, excepting Coorg, there was a rise in all regions, the minimum in Madras at 28% and the maximum in Mysore at 77% (forwarding and other selling expenses showing a large increase of 316%).

The overall increase in cost of production in 1953 over 1950 falls largely under the heads of selling expenses and crop-gathering and manufacturing charges. A rise in wages has been a significant factor in increasing costs in Travancore-Cochin as distinct from other regions.

Management-wise analysis of Costs

12. Having analysed our cost data region-wise and item-wise, we shall now proceed to analyse it management-wise also. We have elsewhere divided the various estates under one dozen types of management but in the following analysis we shall confine ourselves to seven main types taking into account only those groups which cover over 10,000 acres. The figures in a parenthesis indicate their relative importance, based on acreage, in our cost data.

A. 1. *Sterling Companies*. (Controlled by Managing agents and Secretaries, etc.) (66·04%).

B. 1. *Rupees companies*.—

(Non-Indian Managing Agents' Control)

2. Non-Indian (6·87%)

3. Partly Indian and Partly Non-Indian (11:17%)
(Indian Managing Agents' Control)

4. Indian. (3·71%) (9·13% of total area under Indian).

5. Partly Indian & Partly Non-Indian.
(2·28%) (5·61% of total area under Indian)
(Outside Managing Agents' Control).

6. Public Limited Indian Control.
5:47%) (13:45% of total area under Indian).

Proprietary and Partnership Estates.—

7. Indian (2:09%) (5:15% of total area under Indian).

Other minor groups forming the balance of 2·37%.

It is evident from the above figures that the importance of the Non-Indian section is very great; it accounts for 85·6% of our cost coverage, the Indian section accounting for only 14·4%. In the Non-Indian section, the Sterling companies occupy a predominant position; in fact, what happens in these companies affects the industry as a whole to a large extent. In the Indian section, Public Limited companies outside Managing Agents' control (or in other words, the Director-controlled Indian Public Limited companies) are the most important though they account only for 5% of the total.

Management-wise analysis of Costs in 1953.

13. Full details regarding management-wise analysis under various heads of costs for India, Northern India, Southern India, and region-wise for the four years 1950-53 are given in Annexure XXXVI. Annexure XXXVII gives under each type of management, region-wise analysis for various heads of costs for the years 1950-53. We shall here analyse management-wise costs of production of tea in the year 1953. The following table will be found useful in this connection.

TABLE XXXII

Table showing management-wise and major head-wise analysis of cost of production of tea for India in 1953.

(In Rs. per 100 lbs.)				
Heads of costs	Highest	Lowest	Sterling Cos.	Average
1. Cultivation	Indian Proprietary (27.43)	Indian Public Ltd., (11.31)	(23.30)	(21.55)
2. Gathering	Sterling companies (21.29)	Indian Proprietary (14.70)	(21.29)	(20.38)
3. Manufacture	Indian Proprietary (24.99)	Indian Cos. under Indian M. Agents (17.62)	(20.77)	(20.29)
4. General Charges	Indian Managed Partly Non-Indian (62.71)	Indian Proprietary (30.33)	(50.60)	(49.54)
5. Packnig	Non-Indian managed partly Indian (11.46)	Prop. & Partnership Indian (7.03)	(11.06)	(10.82)
6. Selling Expenses	Non-Indian Managed partly Non-Indian (19.40)	Prop. & Partnership Indian (10.11)	(15.40)	(15.50)
Total Costs	Sterling (135.67)	Indian Public Ltd., (102.11)	(135.67)	(131.00)
Commission to Managing Agents	Non-Indian Rupee (11.33)	Indian Proprietary (1.01)	(6.75)	(7.07)

We find that in 1953 the Sterling companies had the highest total costs at Rs. 135.67 per 100 lbs., and the Director-controlled Indian Public Ltd., had the lowest cost at Rs. 102.11, the average total costs for all types of management being Rs. 131.00. When we look at the various heads of costs, we find that in most cases, some section of the Non-Indian companies had the highest costs. Lowest figures for costs

under these heads in all cases belong to one section or the other under Indian management. The costs of Non-Indian estates were particularly high under General Charges and Selling Expenses.

Table XXXIII gives the distribution of acreage of 417 estates; management-wise, under various cost groups for the year 1953. This also indicates that a higher percentage of Non-Indian estates falls under higher cost groups and a higher percentage of Indian estates falls under lower cost groups.

Annexure XXXVIII gives item-wise costs of type of management for the years 1950-53. We find from this that Non-Indian estates spend more under general field works, filling in vacancies, manuring, spraying and dusting, plucking, factory maintenance, general stores and local purchases, general charges (upkeep), medical benefits, other labour benefits, bonus to labour, commission to directors and agency allowance, salaries to estate staff, selling expenses, freight transport and forwarding charges. Indian companies spend more on salary and wages of factory staff, coal, fuel, power and lighting, other charges as stores, salaries at head office, head office expenses, and export quota.

After taking into consideration all the costs for the year 1953, we find that the average cost range for the Non-Indian estates was from Rs. 129.83 to Rs. 135.67 and for the Indian estates from Rs. 102.11 to Rs. 131.49.

Changes in costs of Production in 1953 as compared with 1950 management-wise.

14. Table XXXIV gives an idea regarding the change in total costs of production between the years 1950 & 1953.

TABLE XXXIII

Table showing the distribution of acreages of estates management-wise under various cost-groups

Type of Ownership/ Management	Number of Estates	Rs. 60—80*		Rs. 81—100*		Rs. 101—120*		Rs. 121—140*		Rs. 141—160*	
		Acreage	Percent- age	Acreage	Percent- age	Acreage	Percent- age	Acreage	Percent- age	Acreage	Percent- age
Sterling . . .	179	1,480	0.7	1,874	0.9	17,391	8.6	38,240	19.0	38,058	18.7
Companies under Non- Indian Agency . .	95	342	0.5	...	...	11,166	17.4	15,095	23.4	23,920	37.1
Partly Indian and Partly Non-Indian under In- dian Agency . .	16	...	...	488	3.8	3,388	26.2	5,969	46.3	3,057	23.7
Indian under Indian Agency . . .	31	764	4.8	2,509	15.9	4,955	31.3	5,898	37.3	594	3.8
Public Ltd. (Indian) .	57	552	1.6	9,581	27.3	20,770	59.2	3,167	9.0	558	1.6
Private Ltd. (Indian) .	10	...	...	1,652	50.2	876	26.6	...	...	618	18.8
Proprietary and Partner- ship (Indian) . .	22	639	8.9	1,648	23.0	2,108	29.5	394	5.5	1,000	14.0
Proprietary and Partner- ship (Non-Indian) .	7	...	...	325	16.9	499	25.9	713	37.0	389	20.2
TOTAL .	417	3,777	1.1	18,077	5.3	61,153	17.9	69,476	20.3	68,194	19.9

TABLE XXXIII—Contd.

Type of Ownership/ Management	Rs. 161—180*		Rs. 181—200*		Rs. 201—220*		Rs. 221—240*		Over Rs. 240		Total
	Acreage	Percent- age	Acreage	Percent- age	Acreage	Percent- age	Acreage	Percent- age	Acreage	Percent- age	
Sterling	57,919	28.7	42,959	21.3	2,520	1.3	..	..	1,166	0.6	2,01,607
Companies un- der Non- Indian Ag- ency	7,016	11.0	2,734	4.3	1,847	2.9	909	1.4	1,293	2.0	64,322
Partly Indian and Partly Non-Indian under Indian Agency	..	..	..	..	..	..	..	..	..	..	100
Indian under Indian Ag- ency	613	3.9	482	3.0	..	..	..	..	..	..	100
Public Ltd., (Indian)	..	..	..	..	446	1.3	..	..	..	..	100
Private Ltd., (Indian)	143	4.4	..	..	..	..	..	..	..	..	100
Proprietary & Partnership (Indian)	805	11.2	..	..	268	3.8	..	..	289	4.0	7,151
Proprietary & Partnership (Non-Indian)	..	..	..	..	..	..	..	..	..	..	100
TOTAL	66,496	19.4	46,175	13.5	5,081	1.5	909	0.3	2,748	0.8	3,42,086

Source: Returns from estates. * Per 100 lbs.

TABLE XXXIV

Table showing change in total Costs of Production in 1953 as compared with 1950, under different types of Management

		(In Rs. per 100 lbs.)		
Type of Ownership/ Management	Total Costs in 1953	Total Costs in 1950	Approximate per- centage in crease (+) or decrease (—)	
	Rs.	Rs.		
<i>Sterling Companies :</i> (Controlled by Managing Agents/Secretaries etc.)				
	135·67	119·65	+13	
<i>Rupree Companies :</i>				
<i>Non-Indian Managing Agents Control—</i>				
Non-Indian	129·83	122·27	+6	
Partly Indian & Partly Non-Indian	131·05	115·74	+13	
<i>Indian Managing Agents Control—</i>				
Indian	108·81	103·63	+5	
Partly Indian & Partly Non-Indian	131·49	131·26	+0·2	
<i>Outside Managing Agents Control—</i>				
Public Ltd., Indian	102·11	105·73	—3	
<i>Proprietary and Partnership Concerns—</i>				
Indian	113·58	118·07	—4	
<i>All groups</i>	131·00	118·15	+11	

We find from the above table that the maximum increases in costs at 13% are found for Sterling companies and Partly-Indian companies under Non-Indian Managing Agents. Both these groups are fairly large. Most of the Indian groups show a fall in total costs, the decrease in case of Director-controlled Indian Public Ltd. companies being 3%.

Major cost head-wise

15. Annexure XXXIX shows major costs head-wise changes in 1953 as compared with 1950 according to different types of management. It indicates the following trends :

Cultivation costs fell in the Indian companies under all types of management, the maximum decrease being in the Director-controlled Indian companies 20%. Sterling companies registered a rise of 4% and the Non-Indian Rupee companies a fall of 10%. The Indian companies under Indian Managing Agencies showed a fall of only 0.8%.

Crop gathering charges increased in Sterling companies by 11% and in Non-Indian Rupee companies by about 19 to 21%, the maximum being in Non-Indian companies at 21.1%. The Director-controlled Indian companies showed a rise of 3.6% and the partly Indian and partly Non-Indian companies under Indian Managing Agents showed the maximum rise at 20%.

The maximum rise in manufacturing charges was in Sterling companies at 11.6% and about 8 to 9% in Non-Indian Rupee companies. Indian Companies under Indian Managing Agencies registered a rise of nearly 10%, and the Director-controlled Indian companies a fall of 5%.

General charges rose by nearly 11% in Sterling companies and 8 to 10% in Non-Indian Rupee companies. Among Indian companies, those under managing agents showed a very small rise of 0.2% and the Public Limited Director-controlled companies a fall of 0.2%.

Packing charges fell by 2.2% in Sterling companies and from 2 to 7% in Non-Indian Rupee companies. The fall in Indian companies under Indian Managing Agents as well as the Director-controlled Public Limited companies, being about 6%. In proprietary Indian concerns and Private Limited Indian companies packing charges fell by 13 to 16%.

Selling expenses increased by 83% in Sterling companies and by 32 to 56% in Non-Indian Rupee companies. Under Indian companies the rise was not so high, the maximum being in the partly Non-Indian and Indian companies at 29% and the minimum in the Director-controlled Public Limited companies at 10%.

Annexure XL gives each cost item-wise and management-wise changes in 1953 over the year 1950. In the annexure itself a short note highlighting the trends for each of the items has been given.

Management-cum-Region-wise Analysis

16. In Table XXXV we have given management-cum-region-wise total cost analysis for the year 1953. We have given the highest cost and the lowest-cost management sub-heads for each region together with average costs for Sterling companies and region as a whole. Similar figures for Northern India, Southern India and India as a whole have also been included for purposes of comparison.

TABLE XXXV

Management-cum-Region-wise total cost analysis for 1953

Region	Highest Cost	Lowest Cost	Sterling Cost	Average Cost
1. Assam . . .	Sterling Co. (146·01)	Indian Public Ltd , (107·46)	146·01	140·53
2. Cachar . . .	N. I. Managed (Partly Indian) (125·07)	Indian Proprietary (86·82)	117·08	115·75
3. Dooars & Terai . . .	N. I. Managed (Partly Indian) (133·17)	Indian Proprietary (96·94)	123·59	118·69
4. Darjeeling . . .	N. I. Managed (Partly Indian) (216·58)	N. I. Managed (166·66)	137·79	187·54
5. Tripura . . .	Dir. Cont. Indian Public Ltd. (97·95)	Indian Co., Under Indian M. A. (94·29)	...	94·90
6. Bihar . . .	Sterling Co. (171·79)	Indian Co. under Indian M. A. (71·58)	171·79	93·55
N. India . . .	Sterling Co. (137·89)	Dir. Cont. Indian Public Ltd. (102·07)	137·89	131·51
7. Wynaads . . .	Indian Co. under Indian M. A. (141·00)	Sterling Co. (114·89)	114·89	119·67
8. Madras . . .	Indian Proprietary (144·98)	Indian Co. Under Indian M. A. (109·26)	118·03	119·03
9. T. C. . . .	Non-Indian Managed (144·99)	Dir. Cont. Indian Public Ltd., (108·51)	135·34	131·35
10. Mysore* . . .	Non-Indian Managed (Partly Indian) (138·04)	Indian Proprietary (80·63)	...	117·23
S. India . . .	Non-Indian Managed (141·99)	Dir. Cont. Indian Public Ltd. (108·51)	126·61	124·72
India	Sterling Co. (135·67)	Dir. Cont. Indian Public Ltd. (102·11)	135·67	131·00

*Coorg has not been included in this Table as we had return for only one estate.

NOTE :—N.I. stands for Non-Indian;

M.A. refers to Managing Agency.

We find from the table that it is not only for India as a whole that Sterling companies show the highest cost per 100 lbs. of tea (Rs. 131) and the Director-controlled Indian Public Limited the lowest (Rs. 108.51) but almost throughout the various tea regions, the highest costs are generally found in Non-Indian estates and the lowest costs generally in Indian estates. Further details for the management-cum-regional cost analysis for the years 1950-53 are given in Annexures XXXVI and XXXVII.

Summary of management analysis

17. We have thus analysed our management-wise cost data in several ways. Our analysis clearly indicates that Non-Indian estates, particularly Sterling companies, have higher costs of production as compared with Indian estates, specially the Director-controlled Indian Public Limited companies. The reasons for this are also evident from our analysis. We find that Non-Indian concerns as compared with the Indian ones, generally have higher cultivation costs including manuring and spraying, higher plucking charges, higher cost of stores, higher selling expenses, higher managerial costs and higher salaries for staff. Also, they usually provide better amenities and medical facilities for labour.

18. The table given below will indicate the relative importance of the six heads of costs of production of tea for Northern India, Southern India, and India as a whole for the year 1953:—

TABLE XXXVI

Proportion of various heads of costs to total cost of production of tea in 1953.

Heads of cost	(In Percentage)		
	Northern India	Southern India	All India
Cultivation	15.32	21.97	16.45
Gathering of Crop	14.65	20.13	15.56
Manufacturing	16.77	10.32	15.49
General Charges (excluding Commission to M. A.'s etc.)	31.39	34.70	32.41
Packing Charges	8.59	7.09	8.26
Selling Expenses	13.28	5.79	11.83
TOTAL COST	100	100	100

Region-wise details under these heads for the year 1950 and 1953 are given in Annexure XLI. We find that in the year 1953 cultivation charges formed about 15% of cost in Northern India and about 22% in Southern India. For the North, the highest proportion for cost of cultivation was to be found in Assam and Darjeeling (16%) and the lowest in Dooars and Tripura (12.6%); in the South, excluding Coorg, the highest was in the Wynaads (24%) and the lowest in Madras (19%).

Crop gathering charges formed about 20% of costs in the South and 14·6% in the North. The highest proportion for crop gathering charges in Northern India was in Darjeeling (17·2%) and the lowest in Tripura (7·5%); in the South the highest was in Travancore-Cochin (21%) and the lowest in Mysore (15%).

Manufacturing charges amounted to 16·8% of total costs in Northern India and 10·3% in Southern India. The Dooars reported the highest percentage in the North (19%) and Darjeeling the lowest (13%). In the South the highest percentage was in Mysore (16·7%) and the lowest in the Wynaads (8·9%).

General charges accounted for about 37% of total costs in Northern India and about 38% in Southern India; of this about 6% was for commission to managing agents, etc., in the North and about 3% in the South. In the North, the highest proportion for general charges was in Tripura (45%) and the lowest in the Dooars (35%); in the South, excluding Coorg, the highest was in Madras (40%) and the lowest in Travancore-Cochin (36%).

Packing charges accounted for 8·6% of total costs in Northern India and 7% in Southern India. The highest proportion for packing charges in the North was in the Dooars (9·6%) and the lowest in Darjeeling (5·8%); in the South the highest was in Madras (7·8%) and the lowest in the Wynaads (4·3%).

Selling expenses amounted to 13% of the total costs in Northern India and 6% in Southern India. The highest proportion for selling expenses in the North was in Tripura (20%) and the lowest in Bihar, (8%); in the South the highest was in Madras (7·8%) and the lowest in Mysore (2·5%).

Proportion of labour costs to total costs

19. Under the heads cultivation, gathering of crop and manufacturing, the most important item of cost is the payment made to labour. As full details for such payments were not separately supplied in replies to proforma 'C', it has not been possible to estimate the proportion of labour costs to total costs for the industry as a whole. From the sample enquiry conducted by the cost accountants, however, the following estimate has been made for the year 1953.

	Percentage of total cost of tea	
	Northern India	Southern India
Cost of wages	32·5	35
Cost of Medical and other Labour benefits	5·5	10
TOTAL COST OF LABOUR	38	45

(For details please see Annexure XLII)

Relations between size of estates and costs of production

20. We have tried to examine the variations in costs of production with size of estates and yields. Table XXXVII summarizes the result of our investigation.

TABLE XXXVII

Table showing variation of Costs of Production with sizes of estates and yield per acre

Size of estate (in acres)	Total No. of estates	600—900 lbs. per acre					900—1,200 lbs. per acre					1,200—1,500 lbs. per acre				
		100-120 120-140 140-160 160-180					100-120 120-140 140-160 160-180					100-120 120-140 140-160 160-180				
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	
100—300	.	14	5	2	3	..	1	1	..	..	..	..	2	..
300—500	.	38	7	1	6	..	6	6	3	1	1	3	2	2		
500—700	.	65	6	4	3	2	5	11	5	9	2*	8	8	2		
700—900	.	52	1	2	4	3	7	4	8	6	4	7	3	3		
900—1,100	.	47	..	5	3	2	5	7	9	9	1	2	1	3		
1,100—1,300		32	1	1	1	1	..	3	5	5	2	1	1	1		
438		20	15	20	20	8	24	32	30	30	10	21	17	11		

NOTE :—(1) The following is the co-relation between sizes and costs for varying yields:

Level of yields	Co-relation between sizes and cost
600—900 lbs-acre	. . . +0.3290
900—1,200 lbs-acre	. . . +0.2836
1,200—1,500 lbs-acre	. . . —0.0815

The co-relation between yields and costs works out to 0.0434 only.
100-120, 120-140 etc. are figures in Rupees of cost of production per 100 lbs.

We find that after a certain point there is no decrease in cost of production as a result of an increase in the size or yield of estates. This might appear to be contrary to the general belief that an increase in size reduces the costs of production. But in tea estates, as most of the operations relating to cultivation and gathering of crop, etc., are done by hand, the possibilities of any significant reduction in cost by increasing the size of the estate are limited. Therefore, we feel that in order to bring about economy in costs of production the size of the estate should better be related to managerial efficiency and the crop required to maintain a tea factory. From these points of view our conclusion is that the optimum size for a tea estate may be anywhere between 800 to 1,000 acres; this will mean employment of about 1,000 to 1,500 labourers which is almost as much as an efficient estate manager can supervise. Also we estimate that an estate of at least 300 acres would be required to feed a tea factory of the smallest size throughout the year.

Relation between costs of production and sale prices

21. We have mentioned earlier that one of the limitations of our cost analysis is that we have not been able to take the quality of tea produced into consideration. We need not decry higher costs if these bring about production of higher quality tea and we need not acclaim lower costs if these lead to production of inferior quality tea. With a view to have some idea regarding relationship between costs and prices we give in Table XXXVIII average costs and sale prices of tea in 1953 of 247 companies (producing about 60% of total tea production covered in our cost analysis), as worked out from their balance sheets and profit and loss accounts. We have presumed (perhaps not unfairly) that better quality tea would fetch a higher price in the market and inferior quality tea a lower price.

TABLE XXXVIII

Table showing production and average cost and sale prices in 1953 for 247 tea companies

Type of Ownership/ Management	Number of Cos.	Production (in lbs.)	Average price in Rs. per 100 lbs.	Average cost in- cluding M. A.'s commis- sion in Rs. per 100 lbs.	Difference between Cols. 4 and 5 (Average price & Average Cost in Rs.)
1	2	3	4	5	6
<i>Sterling Companies :</i>					
(Controlled by Managing Agents/Secretaries etc.).	95	225,340,628	230	169.75	60.25
<i>Non-Indian Managing Agents Control :</i>					
Non-Indian	25	18,609,703	180	129.33	50.67
Partly Indian and Partly Non-Indian	51	38,778,010	200	140.16	59.84

1	2	3	4	5	6
<i>Indian Managing Agents Control :</i>					
Indian	19	11,068,442	200	135·08	64·92
Partly Indian and Partly Non-Indian	11	6,333,999	190	147·00	43·00
<i>outside Managing Agents Control :</i>					
Public Ltd. Indian	43	24,418,057	160	93·83	66·17
Private Ltd. Indian	3	520,233	170	107·47	62·53
TOTAL	247	325,069,072	210	155·20	54·80

We find that the highest-cost group (Sterling companies) secured a difference of Rs. 60·25 which was only about Rs. 6 less than what lowest cost-group, the Director-controlled Indian companies secured. All Indian companies with the exception of the partly Non-Indian, have secured better margins than the Non-Indian, although the difference is not very large despite the low price per lb. which they got. One cannot judge from the mere figures of high and low costs about the comparative efficiency of estates. All items of higher costs need not necessarily mean injudicious expenditure, nor all low costs judicious expenditure. There is, therefore, no use to read more into these figures than what they indicate.

Summary of conclusions regarding cost analysis

We may now restate as follows the more important findings of our analysis of cost of production of tea:—

(i) The cost of producing tea varies considerably as between different tea-producing regions in India. The costs are generally higher in the North than in the South. Darjeeling is the highest cost region for tea production in India.

(ii) 'General charges' form the largest part of total costs of producing tea, the other important heads of expenditure being cultivation, gathering of crop, and manufacturing (*See diagram*).

(iii) The costs of production are generally higher for the 'Sterling' and 'Non-Indian' estates and lower for Indian estates though the higher costs are not necessarily disadvantageous for the former (*See diagram*).

(iv) Compared with the year 1950, costs have increased by about 11% in 1953. Assam in the North and Travancore-Cochin in the South show a considerable rise. The increase in costs is largely due to increased selling expenses, and crop gathering and manufacturing

charges. Rise in wages too has been a significant factor in some areas. In general, Non-Indian estates have shown more increase in costs than Indian estates.

Possibilities of Reducing Costs of Production and Recommendations

23. The future of the Tea industry is closely linked with its costs of production. India has to produce good quality tea at reasonable costs in order to face successfully growing competition in international markets and to develop as quickly as possible our own internal market for tea. A rise in the costs of production can be checked and perhaps a reduction in costs can be secured if we can increase the productivity of the industry and reduce the expenditure on some of the items of costs. Increased production per acre should be possible as a result of improved methods of production and increased productivity of labour. We are making some suggestions regarding the former in our chapters on Small Producer and Research, Training and Advisory Services and regarding the latter in chapter VIII.

Some reduction in costs should be possible when our recommendations in chapters on Finance, Marketing and Transport, Supplies and Services are carried out.

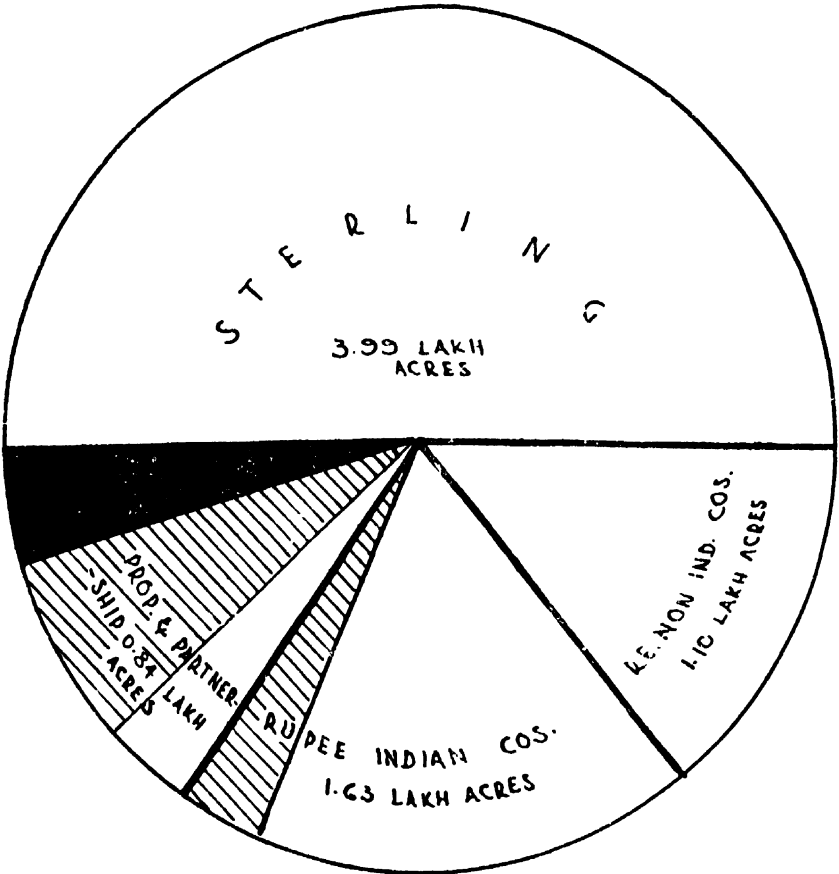
We have noted earlier that 'general charges' and 'payment to labour' form the largest parts of the total costs of production of tea. under the head 'General Charges' there is room for reduction of costs by decreasing the remuneration paid to managing agents and secretaries, by abolishing the commission paid to managers, etc. (and instead giving them a consolidated salary), by increasing 'Indianisation' of managerial personnel and reducing the number of Non-Indian managerial personnel to the minimum, and by rationalising the salary structure of the managerial cadre. We have discussed these suggestions in greater details in the chapter on 'Regulation of Tea Companies'. As regards 'payment to labour', its real burden can be reduced by increasing the productivity of labour. Reference has already been made in this connection to chapter VIII.

In the chapter on Taxation we have made some recommendations for reduction of tax burdens for a section of the Tea industry.

A well-planned and regular study of cost data is necessary for keeping the industry informed about its economic efficiency and competitive position. The Tea Board should, therefore, undertake this function as a part of its regular work. A 'Cost of Production' section should be set up in the Tea Board for this purpose. This section of the Tea Board should collect relevant data regarding costs of production from all estates.

Further, in order to maintain uniformity and secure better comparability, the forms for costs of production returns should be standardised by the Tea Board with the help of experienced Tea Planters and Chartered Accountants.

DISTRIBUTION OF ACREAGE UNDER DIFFERENT TYPES OF MANAGEMENT



TOTAL ACREAGE (ALL-INDIA) 7.89 LAKH ACRES



NON-REPORTING AREA (ESTIMATED)

RUPEE INDIAN COS.	0.27 LAKH ACRES
PARTNERSHIP & PROPRIETORY	0.55 LAKH ACRES



ACREAGE UNDER SMALL HOLDINGS

PROPORTION OF VARIOUS HEADS OF COSTS TO TOTAL COST

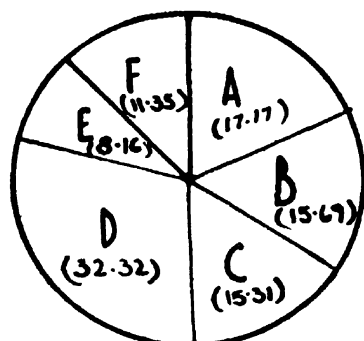
IN VARIOUS TYPES OF MANAGEMENT

1953

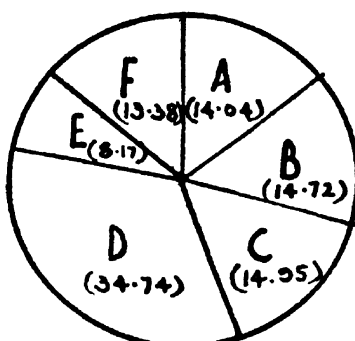
Sterling Companies
Total Cost Rs. 135.67

NON-INDIAN MANAGING AGENTS CONTROL
Non-Indian Companies
Total Cost Rs. 129.83

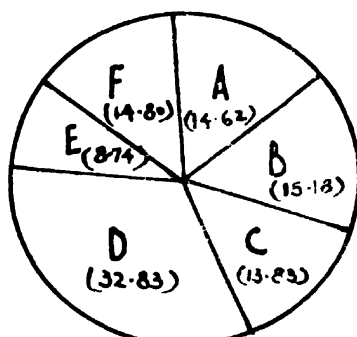
Partly Indian Companies
Total Cost Rs. 131.05



1



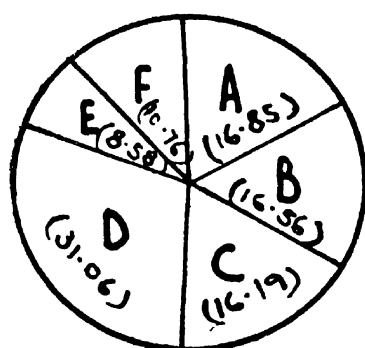
2



3

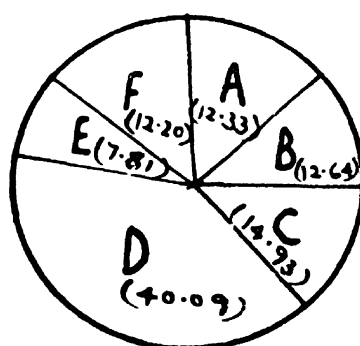
INDIAN MANAGING AGENTS CONTROL
Indian Companies
Total Cost Rs. 108.81

Partly Non-Indian Cos.
Total Cost Rs. 131.49



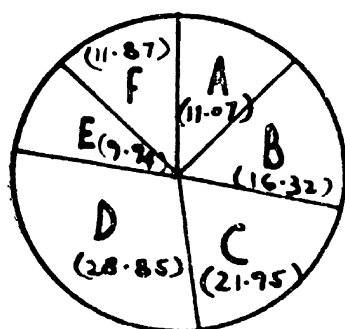
4

Director Controlled Public
Ltd. Companies (Indian)
Total Cost Rs. 102.11



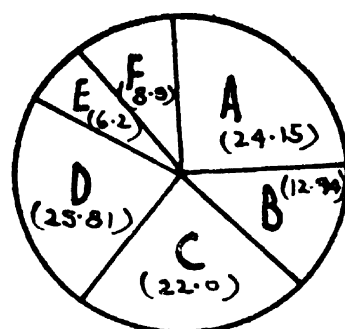
5

Indian Proprietary & Partnership
Concerns
Total Cost Rs. 113.58



6

A Cultivation
B Charges for Gathering Crop
C Manufacturing Costs



7

D General Charges
E Packing Expenses
F Selling Expenses

NOTE:— Fig. in brackets are percentages of each head of cost to total cost.

CHAPTER VIII

HIGHER PRODUCTIVITY AND LABOUR

In this chapter the existing conditions in the Tea industry are studied under the following sections from the point of view of increasing the productivity of labour:—

- A. External facilities (working conditions, equipments, work organisation, management methods and training).
- B. Regulation of temporary labour.
- C. Reduction of labour turnover and absenteeism.
- D. Surplus labour and employment.
- E. Wage structure.
- F. Industrial relations.

Section A

External facilities

Introduction

A better way of putting the question of increasing the productivity of labour would be not 'how to make labour productive' but 'how to make labour more willing'.

The following quotation expresses the subject in more telling words:—

"You can buy a man's time: you can buy a man's physical presence in a given place: you can even buy a measured number of skilled muscular motions per hour or day. But you cannot buy enthusiasm: you cannot buy initiative: you cannot buy loyalty: you cannot buy the devotion of hearts, minds and souls: you have to earn these things". (Public Affairs Pamphlet 151 U.S.A.)

The necessity for State Intervention and an efficient staff to administer labour laws

2. Any scheme of increasing productivity of labour arouses labour's fears that the profits from surplus production would be appropriated by the employers. The workers should be assured that it would not so happen. What should come first is the question—increased production with a preceding condition of sharing of profits resulting from it, or increased production without such a condition. In the existing state of relationships, the former alone would lead to increased production. But labour whose need for a higher standard of life is urgent, is not in a position to bargain with the employer in regard to its share of profits and wages. The support of Governments becomes, therefore, necessary. At the same time, enactment of advanced legislation will not prove a real support so long as there is no administrative

personnel properly recruited, well-trained, and fostered by an efficient high-powered directorate responsible for an impartial discharge of its duties. The success of productivity schemes primarily hinges on the Inspector at the bottom, his selection, his training, and his capacity to promote labour-management relations. A better word for the 'Inspector' would be 'labour guide' or 'labour organiser'. State intervention being unavoidable, everything depends on the quality of the administrative staff.

The external factors that influence productivity of labour are examined in the following paras.

(i) An improvement in the working conditions would certainly increase labour productivity. Factory space should be ample. The welfare provisions in the Plantation Labour Act would radically alter the working conditions. Hygienic conditions both in the factory and the plantation will equally help productivity.

(ii) Want of fixed equipment also affects productivity. "One of the reasons for the drop in the quality of North Indian tea is that production is in excess of factory capacity. This applies not only to manufacturing machinery but to the actual size of the factories particularly in respect of withering accommodation" (Reply of Indian Tea Association to *Ad hoc* Committee). Also when the machines were over-worked and were not properly maintained, productivity of labour was bound to be less.

(iii) Want of proper standardised materials affects productivity. Rollers in bad condition, want of proper steel sheets for green-leaf-sifting and want of proper floors for fermenting—all these affect the productivity of the worker. On the plantation side, want of suitable implements may result in cutting the root of a bush or spoil the plant during pruning.

(iv) Rationalisation of operations is necessary to increase productivity. Improper handling of the green leaf may affect the quality of the liquor. Dumping the leaf from the withering shed on the ground and picking it again spoils it and wastes labour. The transport of leaf to the rolling machine, rolling, and firing can be integrated. This would avoid machine-idle time. The cleanliness of the rollers has to be attended to. A great deal of team work is necessary and has to be organised so that work may progress smoothly from the time the leaf was plucked till tea was packed. Excessive and redundant stores and rejected or condemned articles took up space and hindered work. At the seventh annual Tocklai Conference in November 1949, Dr. E.A.H. Roberts spoke the following about conditions of tea-manufacture in North East India.

"The losses in money due to bad or imperfect methods of manufacture are much larger than is generally realised and the remedy is not necessarily so expensive as it may at first sight appear. I gave our tea taster, samples of teas from nearly all the factories I have visited. His reports and valuations were most instructive, as the order of merit of the tea was very

close to the order of merit I would have placed the factories from the point of view of hygiene. The difference (for non-quality teas during the rains) between the best and the worst amounted to 4 annas and my belief is that the greater part of this 4 annas was due to the very considerable difference in standards of cleanliness.

A lot of the failure to run factories under hygienic conditions is due to bad planning of the factory. Most factories could with advantage go in for some rationalisation. Careful thought could also often lead to much labour-saving and above all cleanliness and tidiness would result in cleaner and sweeter teas as well as greater ease of labour control."

All these aspects of rationalisation of production show the need for a highly experienced advisory service similar to the visiting agents whom British Managing Agency houses sent to the estates for improving efficiency. The Tea Board in addition to arranging finance and supplies should provide this service.

The place of "plucking" in the industry

3. Two-thirds of the total number of labour days in plantations are ordinarily devoted to plucking. A major part of the success in the industry depends on plucking. Bad plucking is no doubt due to want of supervision but it is also equally caused by poor cultivation. Preliminary attention to clearing of land, terracing and drainage is needed. For want of resources, many Indian estates started on production and stinted on these operations. If a bush had vigorous growth, the plucker would not search for vigorous leaf below the plucking level. When proper leaves are not plucked, costs of manufacture increase. A lot of time is wasted in picking out the coarse leaf in the factory compound. Withered leaf has to be sorted before being put on the rollers. The off-grades and waste tea are a reflection of bad plucking. "The cost of plucking is an expensive item in any factory and has to be weighed against any saving in plucking costs likely to accrue from coarse plucking if overall profit is to be considered."

A proper fair wage in plucking is essential so long as plucking is a selective work on which depends future flushing. A good check is necessary in noting the performance of pluckers at the time of plucking, so that poor work might be discovered and the standard of the worker might be improved on the spot.

Need for Labour-Saving equipment and devices

4. In order to reduce physical efforts and increase productivity, according to the Indian Tea Association 'in the field increasing use is being made of spraying equipment, rotary hoes, tractors and winches for uprooting tea and jungle'.

Supplies of tools and implements should be reviewed from this point of view so that they can lighten work. Also mechanisation is possible to a greater degree in respect of transport to the factory from

the field. "Widespread use of trucks for transport of the leaf to the factory and facilities of transport and handling of leaf and tea within the factory, and a rational factory lay-out, the various operations being linked by conveyor-belt or gravity feed systems would greatly lighten physical tasks for labour*".

Necessity for proper training of Labour

5. There is a wrong notion that plantation labour work is unskilled. The consequence has been that necessary attention has not been given to the training of labour in skills. Many experienced workers had to leave Assam during the crisis. In Travancore-Cochin in the mid and low range areas where there is a large rural unemployed population, local labour which once shunned plantation work is now competing with traditional landless labour recruited from Tamil districts. Today it was not the aboriginals or Harijans that offered themselves for work; peasants who own small paddy lands or once owned and lost them competed for work in estates. The policy of the Assam Government in enforcing local recruitment and limiting recruitment from outside to the minimum has brought into labour ranks a more conscious labour force. All these new recruits who have general capacities to learn quickly and apply the learning to varying conditions of weeding, hoeing and pruning require training.

Children brought up on the estate and who have seen their parents work in the garden, learn by seeing and hearing things. New recruits get no regular training except by general practice. The agricultural operations in plantations require skill; bad work affects the bush, or the soil or the leaf, leading to a train of consequences in the production of tea. It requires great care in weeding round the collar of a bush. If weeding is not done at the proper time, weeds may grow so tall that they may hinder plucking. Rash digging may stir the soil too much. Wrong terracing in hill slopes may lead to soil erosion. The cultivation of hill sides is an extremely delicate task. Drainage has its many problems. Failure to prune properly affects the surface level of bushes and consequently plucking. Replanting involves many skilled activities as uprooting, raising of shade trees, drainage and nurseries, and raising of green crops etc. Manuring has its own problems as the selection of bushes for application, fixing the quantity, and choosing the mixtures etc. Owing to want of training of labour, a number of modern pesticides such as the organic phosphorus compounds could not be used. Labour has to be trained in team work, particularly in regard to efficient spraying. Training of recruited labour should be given priority in every estate. Talks in the field, group discussions and workers' clubs should help in a continuous education of the worker. The proposed Advisory Service should organise workers' education on these lines and also arrange for training of new recruits.

Training of supervisory staff also essential

6. Skilled work of labour depends on the effectiveness of supervision in the handling of materials, and planning of work. The lower grade of supervisory staff should be trained. Also maintenance of machinery depends on the technical staff. Many of the latter had no training. "The Indian Tea Association some years ago put forward a scheme for trade-testing such employees with the purpose of improving the standard of efficiency throughout the industry. The Association's proposals are still before Government." (Replies of I.T.A. to I.L.O.)

Productivity depends also on the methods of management. Training of the managerial staff while the lower layer of foremen and supervisors are neither properly recruited nor trained nor paid decently, will not get the best results from the former.

Two defects of management have been brought out at the annual meeting of the Dooars Branch (1953).

"Labour troubles do not occur in gardens where there is personal contact. This contact cannot be maintained if managers and assistants are constantly moved." (Deputy Commissioner, Jalpaiguri.)

'It was advisable for managers to be granted more powers or alternatively for agency houses to have local representatives in the Dooars empowered give spot decision.' (Regional Labour Officer.)

Responsibility has to be delegated up to the lowest rank of the administrative staff. Job and responsibilities should be clearly defined. Every member of the staff should be consulted regarding plans. A reliance merely on detailed rules and standing orders and checking officers will not increase production. Such rules and orders will only engage the staff in filling up returns and answering questions and take away their attention from day-to-day problems of production. "The executive who can shift the emphasis of controls towards the means of developing co-operative relations will thereby enable people down the line to do a more effective production job." (Higher productivity in manufacturing industries—I.L.O.)

Difficulties in implementing schemes of labour productivity

7. Schemes of increasing labour productivity have certain intractable hurdles to cross. One is that Government and labour should be willing to face problems of retrenchment arising from increased productivity. The second hurdle is want of financial resources for improving the fixed equipment and keeping it in order. The third is the need for a properly selected and trained management of which mention has been already made in the chapter XVIII on Research Training and Advisory Services.

Work studies and job analysis should be carried out

8. Increase in productivity requires proper records of the output of work and an analysis of results. The Indian Tea Association said in its reply to the International Labour Office on this question of job analysis :—

“Scientific job analysis could be applied to most processes in the field and in the factory where labour is at present uneconomically employed, but difficulties of retrenchment and the apprehension that the type of worker employed on tea estates will not easily understand its purpose, has so far prevented any investigations on these lines, though consideration has often been given to an enquiry on this kind.”

A study of labour productivity is needed from various points of view whether labour had proper tools for cultivation processes, to what extent time was wasted in reaching the work spot, whether the sheds for collecting leaves were near to the place of work, whether the day's work was properly organised, and what length of time was taken for performance of tasks etc.

Problems of increasing labour productivity depend on the fullest co-operation of labour and the management. Under existing conditions Government will have to take initiative for organising work studies with the co-operation of labour and employers.

Enforcement of the provisions of the Factory Act

9. Much could be done by factory inspectors in enforcing improved working conditions. But their number should be adequate. The punishments awarded to managers who were prosecuted under the Factory Act were inadequate according to the Government Officers. In West Bengal many cases failed in the courts. Wage payments for overtime etc. should be properly supervised by inspectors. As inspectors have to discharge the responsible duty of inspecting the managements in respect of conformity to factory laws, they will have to take every care that they do not lay themselves open to the accusation of being too intimate with the management.

Simplification of Forms and Registers

10. Maintenance of too many registers and forms, and submission of a large number of returns to various departments require a special establishment to be maintained by the employer. We suggest that a special committee should devise a uniform set of registers and records. Further when once the statistics required by different departments are known, it would be possible to devise a card index system for showing the required information at a glance.

Section B

Regulation of Temporary Labour

Reduction in the strength of permanent labour force during 1951-53

According to the figures collected by the Commission, permanent labour force employed in the reporting estates covering 3,17,996 acres (i.e., 40% of the total acreage under tea in India) was 4,65,718 in

1950-51 and 4,46,645 in 1953-54. This shows a decline of 4% between 1950-51 and 1953-54. The years 1951-52 and 1952-53 are omitted as they were exceptional years of fall in prices and consequent retrenchment of labour force. The figures in the Report of the Controller of Emigrant Labour showed a decline of 36% between these years in Assam. Also economies in costs were practiced in 1953-54. There was a sudden fall in casual labour and labour per acre also decreased, according to the figures of the Controller of Emigrant Labour, from 1.44 in 1951-52 and 1.36 in 1952-53 to 0.86 in 1953-54 in Assam. The effect of the application of the Minimum Wages Act and the crisis was to reduce the strength of the labour force, both permanent and casual. The restriction in the use of emigrant labour by the Assam Government has also reacted on the number employed. Factory labour too became reduced between 1952 and 1954 according to the figures furnished by the Labour Bureau. With output increasing and labour force decreasing, the tendency is towards higher productivity of labour in Assam (Annexure XLIII). But this could not be said of the South where certain intensive studies made by the certain companies in the membership of the United Planters Association of Southern India indicated a greater employment of labour and lesser output of work between 1945 and 1955 (Annexure XLIII-A).

In Cachar the definite fall in labour strength was due to the severity of the crisis.

Labour per acre—regional figures

2. Regionally compared according to the figures collected by the Commission for 517 estates for the year 1954, permanent labour per acre was 0.8 in Darjeeling, 0.9 in Cachar, 1.1 in South India, 1.2 in Assam, and 1.4 in Dooars. According to the West Bengal Minimum Wage Committee Report (1939), the bigger the estate the greater was the number employed per acre in Dooars (Annexure XLIV).

Temporary Labour compared to permanent region-wise

3. The Terai region (West Bengal) recruits more casual labour owing to the short season for plucking. According to the Indian Tea Planters Association, Jalpaiguri, in view of the absence of a three-year contract for imported labour as in Assam "workers in Dooars and Terai gardens are a floating population for whom there is no fixity of employment over a continuous period in a particular garden". The distinction between permanent and temporary labour was not clear-cut in the Dooars (Annexure XLV). More labour was engaged for these reasons and this explained the largest number per acre and the lowest percentage of casual labour to total labour force. South India engaged less workers per acre but the yield was about two-thirds of Assam. Assam kept the largest permanent labour force round the year. Temporary or casual labour was available from the *bastis* in Assam. Darjeeling and Cachar employed less labour per acre owing to high costs and low yields. The percentage of temporary labour in Assam to total labour as on books (*vide* figures in the report of the Controller of

Emigrant Labour) was 12·1% in 1954. As compared to average working strength of permanent labour, temporary labour on books amounted to 17%.

Temporary labour—How it arises—its disabilities—our suggestions

4. The engagement of temporary or casual labour was due to many causes. The chief was its availability in the estate, *bastis* and villages. Labour except in certain regions hardly protested against it as they themselves wanted their kith and kin to be employed. To employers it was a safety valve against withdrawal of labour by the permanent labour force. The existence of a peak season in the industry made them fall on this source of labour in the plucking season. Temporary labour too would hardly demand better working conditions as they were obliged to the employer for what little they got. If a permanent labour force is to be built up as the basis for developing skilled and efficient labour in the plantations, then all loop-holes by which its establishment is delayed should be plugged. Elsewhere in the Annexures are given extracts of notifications and standing orders of employment regarding temporary or casual labour. They show that temporary labour were paid a reduced wage in Dooars, they were not entered in the muster-roll anywhere, when engaged on *ticca* or piece work their basic wage rates might be notified 'only wherever possible', that the provision of six months' probation for permanent Labour in Assam swelled their numbers, and non-requirement of notice of termination of employment gave a loop-hole to employers to evade such notice even in the case of workers employed for a month and more. The Indian National Trade Union Congress said about temporary labour:—

"Outside recruitment results in a corresponding reduction of organised labour through discharges, dismissals or forcible repatriations. Discharged and dismissed labourers not being able to return to their country, settle in *bastis* as casual labour and work at reduced wages".

In the interest of the industry, Government should step in, and enforce a slightly higher wage than the minimum in the case of casual labour so as to include the cost of amenities which resident labour got from the estates. This will be in consonance with the traditional practice in agriculture of paying a higher wage for casual labour as against permanent labour.

Also when once employers are required to maintain a permanent labour force, the excess costs due to its maintenance in the slack season should be eliminated by integrating employment in the estate with that in supplementary occupations.

Section C

Reduction of labour turnover and absenteeism.

Labour turnover 1950-54

During 1953 and 1954, imported labour in Assam amounted to 4,087 while local labour added to labour force amounted to 1,14,921. Normal annual addition of local labour between 1950 and 1952 was

about 72,000. Allowing for this normal addition, the excess recruitment of local labour, therefore, amounted to about 42,000. Imported labour whose normal recruitment was about 36,000 between 1950 and 1952 dwindled to about 4,000 in 1953-54 (Annexure XLVI). Many emigrants were repatriated or left for their homes during the crisis. Speaking of this situation the Chairman of the Minimum Wage Committee said in January, 1953:—

“Both in Assam Valley and Cachar, a number of estates have found it necessary to resort to lay-off, retrenchment, and short working hours”.

The total number of labourers in Assam (working and non-working) who were discharged or repatriated between 1950 and 1954 was 3·54 lakhs and those who died amounted to 0·69 lakh amounting in all to 4·23 lakhs. Calculated as a percentage of the total labour population for all the five years (9·08 lakhs), the turnover was 46% or an annual average of 9% over a period of 5 years. Almost a half of labour are, therefore, new recruits. The position in Dooars was worse because labour was recruited on a casual basis to a larger extent. In some parts of Assam, Cachar, Darjeeling and the high range in the South, there was a settled population and labour turnover was less.

Its causes

2. Labour turnover was due to various causes. There was no graded salary according to seniority which would prevent a labourer from leaving his job. Where plenty of labour was available in *bastis* and temporary labour was unprotected, the employer would not consider labour turnover as a serious problem. Also when the employer considered plantation work as an unskilled one on which any labour can be put on, the problem of turnover might not get the attention it deserved at his hands.

Absenteeism—causes discussed

3. An estimate of absenteeism and its main features are given in Annexure XLVII. A worker is absent generally for reasons of sickness or maternity or social and religious functions on an average for slightly less than one day in a month and for 4 days without any proper reasons. This worked to 16% of the number of working days. It was not good either for labour or the employer or the nation that absenteeism should be of this magnitude. Absenteeism is an expression of the socio-economic condition of labour and the conditions in the industry. Recruited labour belonged to aboriginal and scheduled classes which might do honest work but could hardly foresee the losses and the disorganisation they might create by their absence. Want of a balanced diet resulting in anaemia is considered as one of the main reasons for absenteeism. The Indian Tea Association said:—

“The investigations of the Ross Institute, according to the Indian Tea Association, indicate that among tea garden labour employed in the plains there is a considerable amount of

anaemia, and although this is no more marked in tea gardens than among the general population of the tea areas, it is realised that it may on occasion contribute to the failure of labour to turn out for work regularly" (I.T.A. dated 14-9-1955.)

Another cause of absenteeism was the tacit understanding between labour and management, the former to go on their private works of cultivation or other errands and the latter to willingly permit it for want of work in the slack season. The Indian Tea Association said:—

"At the same time it is to be conceded that the volume of work in the off season does not justify the full time employment of garden's full staff, and for this reason managements rarely objected in the past if workers absented themselves from duty either because they were taking care of their own fields, or because they had no inclination to work the full day.

It is expected that many workers will still wish during the cold weather to attend to their own affairs, and so long as the labour force on certain gardens continues in excess of cold weather requirements, there can be no objection to a certain amount of absenteeism during this slack period". (Reply to question 22-A by I.T.A.)

The third cause was drunkenness. The Indian Tea Association said:—

"A recent case has been brought to the Association's attention in which 24,000 lbs. of tea was lost in one garden on one day because all the factory staff were completely drunk and therefore no work could be done at all. This type of absenteeism is of course most marked after holidays and is revealed by the marked increase in the consumption of alcohol referred to in the Association's reply to question 14(a) of the Commission's Questionnaire No. 1". (I.T.A. dated 14-9-1955.)

Absenteeism in Assam and Dooars

4. The policy of the Assam Government for the last three years to limit outside recruitment and enforce utilisation of local peasants created an entirely new situation in the labour ranks. A large number of recruited labour was repatriated. New local labour was employed. This led to a certain amount of absenteeism. Nevertheless it is noteworthy that despite this fact, there has been between 1950 and 1954 a distinct reduction in absenteeism in Assam. In the Dooars absenteeism was greater, as there was no contract of employment for recruited labour for a period of three years, and there was not a settled traditional labour as in Assam. Also where hill-tribes (Paharias) worked, they absented themselves on rainy days as they were not used to work on such days. But this was partly made up by the hill-tribes from Koraput who worked willingly without any thought of limitation of work on contract.

Absenteeism was also due to the availability of casual labour. The employer had certain liabilities to discharge in the case of permanent labour force which did not apply wholly in the case of casual labour.

According to the Indian Tea Association :—

“As labour was recruited from a long distance it would not be sent back during the cold weather when there was not enough work. The retention of a larger labour force than was necessary for a considerable portion of the year accentuated habits of absenteeism”.

The argument that labour did not want to earn and, therefore, absented itself would hardly stand. The fact that labour worked even over-time when piece rates were paid for plucking belied it. There are many loop-holes in the wage structure which prevented labour from earning more. Despite the backward character of the labour population, it has sufficiently been influenced by the cash economy of today to strive for earning a maximum wage. Possibly it is this striving for outside employment to make up a low wage that was one of the causes of absenteeism.

The Indian National Trade Union Congress in its reply suggested the real causes of absenteeism as “enervating influence of the climate with a heavy rainfall, excessive carbohydrate food leading to laziness, paddy cultivation, want of healthy diversion, and the need to explore supplementary sources of income.”

One cause of absenteeism according to the Indian Tea Association is “the bad psychological effects of periods of employment when the pressure of work is low or of periods when attendance at the garden is not essential. Also it is realised that all agricultural labour expect to have some time off.”

Absenteeism was also caused when an estate did not work for all the days in a year.

Causes of Absenteeism summarised

5. The causes, then, of absenteeism may be summarised as follows:—

Due to Socio-economic factors.

- (i) Weak health due to want of a balanced diet.
- (ii) Want of comprehension of the consequences on the industry as a whole of their failure to do their jobs.
- (iii) Outside employment in paddy fields and elsewhere.
- (iv) The drink habit in plantation area.

Due to absence of a permanent labour force.

- (v) Labour turnover.
- (vi) Recent engagement of local labour in Assam in the place of recruited labour.

Due to the nature of the industry.

- (vii) Involuntary retention of a considerable labour force who could not be sent back in the slack season.

The Commission has recommended at appropriate places various proposals which would have the effect of minimising labour turnover and absenteeism.

Section D

Surplus labour and employment

Surplus labour in plantations—extracts of evidence

The problem today in most of the plantations is not want of labour necessitating recruitment of outside labour from long distances but one of restricting surplus labour. The following are extracts of evidence on surplus labour:—

“Increased birth rate—Availability of hill tribes—Workers’ children need jobs—On rush from plains—Go-Slow adopted to persuade the management to engage their dependants—More than sufficient labour in winter—Due to provision of agricultural lands—*Bastis* supply labour—Labour realising existence of surplus wanted to do minimum work in order to help their brethren. Unwillingness to move to another place though unemployed owing to the availability of a good house and paddy land and other occupations—There was too large a percentage of old workers without health (Dooars)—Due to concentration of labour in some isolated areas in Assam & Cachar where general health was good and plenty of protein food like fish in garden fisheries was available—In high regions (Nilgiris) which are remote from residences of village population the estates maintain a large number of families of workers. This helps in one way to provide supplementary labour during the peak seasons. It is costly in another way that the permanent labour force has to be maintained during the slack season—The percentage of labour in some estates in Darjeeling was 1·6 per acre though there was no need to exceed 1·2”.

(The extent of surplus labour is given in Annexure XLVII.)

Surplus labour classified

2. Surplus labour may be classified as

- (i) seasonal surplus, (Annexure XLVII-A).
- (ii) due to an increase in non-working dependants, including other persons than members of the workers’ families, (Annexure XLVII-B).
- (iii) surplus as the result of a high birth rate (Annexure XLVII-C).
- (iv) surplus as a result of settlement of a portion of recruited emigrants in villages near the plantations (Annexure XLVII-D).

How Assam Government tackled the problem of surplus labour

3. The problem of surplus labour was effectively tackled by the Assam Government by restricting entry of immigrant labour and thus forcing the estates to employ the surplus labour in the estates and

villages (Annexure XLVIII). The Government endeavoured to see that local shortages of labour did not arise and production did not suffer. It also sought the close and continuous co-operation of the industry in this matter.

State Governments and Employment Exchange could help in placing surplus labour

4. A rational distribution of available labour in the State in such a manner as to reduce excessive unemployment in any region is a responsibility of State Governments. In the placement of tea garden labour the Government employment exchanges do not appear to have played any significant part in any State so far. In such placements existing surplus labour in the garden and settled labour in villages should get preference. As suggested by the West Bengal Government, the possibility of using employment exchanges should be explored by the State Governments and employers' organisations. Close co-operation between employers and employment agencies in the matter of recruitment of labour should result in a reduction of recruitment charges and help in the rational distribution of labour as between surplus and deficit areas, a problem of importance in Assam.

Surplus land in tea estates—How they are used at present

5. The provision of supplementary occupations to the surplus labour in these regions is bound up with the availability of land for cultivation, animal husbandry and raw material for supplementary occupations.

The following table indicates the low percentage of tea land to other lands in possession of tea companies. (Figures relate to 1949 for Assam and 1954 for West Bengal.)

TABLE XXXIX

Table showing utilisation of land in tea estates

	Darjeeling	Dooars	Terai	Assam	Cachiar
					6
Total acreage	47,663	1,62,885	19,380	6,78,944	2,57,338
Tea cultivation % . . .	41·87	58·85	53·23	41·73	27·80
Land ancillary to tea % . .	1·38	2·75	6·45	4·03	3·75
Bamoo bari %	5·32	10·05	7·49	2·95	20·76
Foserts otherthan bamboos % .	41·39	11·37	13·55	22·11	22·94
Sun grass % . . . .	...	...	...	5·45	5·12
Khet land %	10·04	16·98	19·28	23·73	19·63

The following extracts would show how these lands were used :—

“It is pitiable to think of the hundreds, and even thousands, of acres of valuable forest which have been recklessly and needlessly swept away from many estates in all the tea districts. This has resulted either from the carelessness of those in charge, from inability to appreciate the value of the property, or from sheer ignorance of the general principles of forestry.

From all this it follows that when people become possessed of great tracts of hill country and then proceed to destroy all, or nearly all the forest thereon, they not only court disaster for themselves, but they also cause serious damage to all neighbouring property”.

(Indian Tea, C. J. Harrison.)

Regarding paddy lands the All-India Plantation Federation (INTUC) said that :—

“the result of all these disabilities (want of implements, plough-cattle, dependence on the hoe, difficulty to pay attention for want of time, want of manures) is that the yield per bigah is much less than what is obtainable in the rural area for the same class of land”.

At the Tocklai 8th Annual Conference it was said :—

“Sugarcane cultivation is also possible. A second crop can be raised with proper irrigation facilities. There is ample time and moisture for two crops but a single crop is raised because the land is not manured and there are no irrigation facilities.”

The Cachar Sub-Committee of I.T.A. made the following recommendations :—

“Where gardens have a large amount of spare land reduction in the holding may do no great harm. In fact, it may well be that too much land is an embarrassment and not an advantage.”

State Governments to Survey and acquire all surplus lands and utilise them for productive purposes

6. The extensive areas now held by many tea gardens are really not necessary for their efficient working. Such areas are now not put to the best possible use for the general good of the community. We recommend that the State Governments in collaboration with the Tea Board and the Tea industry should have detailed surveys made of the land resources other than land under tea at present, held by the tea plantations and the uses to which they are put. After such a survey it will be possible to draw up a suitable policy regarding the utilisation of the land and forest resources not required for the efficient working of the tea gardens and not likely to be of use for the expansion of tea production. The Assam Government has already passed an Act for the acquiring of lands on payment of compensation not exceeding ten times the annual land revenue on them. This may be followed in all

States and surplus lands acquired. With the surplus land available it should be possible for State Governments to develop schemes for agriculture, silviculture, and animal husbandry activities which will provide additional occupation and thus help to relieve the pressure of unemployment in these States. This is no novel proposal but one which was adopted during the war period as the following extract from the report of the Controller of Emigrant Labour (Assam) for 1944 would show.

“During the war a number of steps were taken to improve the food supply by the estates affiliated to the I.T.A. There were cultivation of vegetables, improvement of gardens, livestock, poultry farming (which was disappointing) and restocking of *Bhucels* and tanks with fish”.

Such schemes of food production will be a source of supply of food articles to consumer stores, creches and canteens in the plantations.

Advise on Family Planning

7. As a measure which will be of value in the long run to relieve the increasing pressure of population in the planting regions, we also recommend that in hospitals and dispensaries attached to the tea gardens, provisions should be made for giving advice on family planning to the workers and their families. Active educative propaganda to persuade labour to take advantage of the service will be necessary. This is a beneficial activity which social welfare organisations and the trade unions themselves could usefully take up.

Training in Supplementary Occupations

8. The Tea Board sanctioned grants from its welfare fund for training workers in spinning, weaving, smithy, basket-making, sewing, midwifery, tailoring and embroidery, carpentry, manufacture of leather goods, in addition to recreation and education in health and hygiene. Any scheme of occupations should be of two kinds—those which would supplement the work in tea gardens by way of subsidiary occupations such as the raising of crops and live-stock breeding and those which would employ non-working dependants who could not be absorbed in tea gardens. The former should be subsidiary to tea cultivation and not be an exacting work. The latter should be remunerative. Provision of employment to non-working dependents is a definite function of State Governments, though it may be performed through the employers.

Retirement of Plantation Workers

9. One reason which accentuates to some extent the problem of unemployed labour in plantations is that at present there is no recognised retiring age for plantation workers. When provident funds are established they will provide old age benefits to workers who have to retire. We recommend that after such funds are established, the question of fixing a retiring age for plantation labour should be examined so that superannuated workers may make room for younger workers.

Section E

Wage Structure

Wage Structure in Tea Plantation

Wage-structure is discussed in this chapter from the point of view of increasing the productivity of labour. Wages in tea plantations are fixed and notified by State Governments under the Minimum Wages Act operating for scheduled industries throughout the country. Under the notification wages have not been fixed for all the kinds of works in a plantation. Minimum wage is generally related to tasks. Tasks are decided by the management according to custom or where custom has changed, in consultation with labour. Out of the total number of workdays of labour, about two-thirds relate to plucking and out of the remainder a majority of the number of workdays is paid on the basis of tasks. The employers generally maintain labour on a minimum wage for all the days during which the plantation and factory work. But labour generally absents itself for about 16% of the working days. During these days it engages itself in its own private work or other supplementary occupations.

Statistics of Employment and Earnings of Labour in Tea Plantations

2. According to figures furnished by the Directorate of Economics & Statistics of the Ministry of Food & Agriculture, the industry maintained 970 thousand workers in 1953; the proportion of men, women, adolescents and children as worked out for reported companies stood at 46, 43, 3 & 8%. The total cash wage bill of the industry was estimated to be of the order of Rs. 42 crores per annum excluding various amenities. About Rs. 6 crores or roughly 15% of the wage bill may be taken as spent on amenities. Labour has thus derived from the industry benefits in cash and amenities to the extent of about Rs. 48 crores per year. Thus labour cost on a total production of about 638 million lbs. for the year, amounts on an average to about 12 annas per lb. (*vide* annexure XLIX for details).

There was an increase in wages between 1950 and 1954 which ranged between 20% and 50%. The increase was largest in Travancore-Cochin followed by Assam, Dooars and Madras (*vide* annexure L). Minimum wages varied widely from State to State, being Rs. 1/11/6 in Dooars, Rs. 1/12/3 in Assam, Rs. 1/9/6 in Travancore-Cochin and Rs. 1/7/- in Madras. We are of the view that minimum wages should be the same in all states unless they varied on account of differences in cost of living. When one State has one rate and another a different rate, costs of production are bound to vary. Industrial relations too are affected when two adjoining states have different wages.

Broadly stated, a labour family in an estate comprising a man, woman and working child together earned between Rs. 2/14/- to Rs. 4/4/- a day in the various regions and without a child between Rs. 2/4/- to Rs. 3/6/- a day or approximately Rs. 52 to Rs. 78 a month. This wage excluded house rent, medical and educational charges, and payment of any local rate which were paid by the

management. Also, though the cost of living index has fallen as compared with the period when minimum wages were fixed (March 1952), the wage has not been reduced.

Working of the Minimum Wages Act—Evidence received

3. A summary of the evidence on the working of the Minimum Wage Act and the difficulties encountered in the formulation of a minimum wage are given in Annexure LI. The salient features of the representations made by the industry are given below :

“Minimum wages have been changed from time to time in order to satisfy the demands of labour. The status of minimum wage was not properly understood. There was a periodical demand for its revision. The fixing of minimum wages was considered as an opportunity for demanding further and further increases. Labour also hoped that if they made a higher demand for wage, Government would mediate and put pressure on employers for paying a slightly higher wage than the present though less than the demand they made.”

Loopholes in the notification

4. In Bengal the notification said that “if any worker completed only one task *viz.*, *hazira* and refuses to do the *doubli* he or she shall receive only annas five as dearness allowance in addition to his or her *hazira* wage”. In the cold weather, there were more absentees in the afternoons. The notification fixed a normal working day as ranging between 5 and 8 hours. The provision for a half day wage gave scope for the employers not to pay a full wage. The indefiniteness in the hours of work resulted in labour demanding a full wage for performing only 5 hours’ work. These two loopholes led to a number of disputes regarding wage rates. In Madras the notification fixed two grades of workers—grade I and grade II, grade I worker is paid Rs. 1/7/- a day and grade II worker Rs. 1/2/- a day. The power to decide the classification of the workers into these two grades rested with the employer. The basis for classification was physical capacity, skill, efficiency and out-turn of work. There were no objective standards for measuring skill and efficiency. Neither were any rules followed in grading workers according to physical capacity and out-turn of work. This left ample scope for management to classify the workers as they liked.

Our Recommendations—Standing Wages Committees to be Constituted

5. The working of Minimum Wage Committees pointed to certain useful experiences. In the committees in Assam and Madras excluding the independent members, the representatives of employers and labour by themselves could not come to a majority decision. This only showed the need for the Government to intervene in fixing the minimum wage. In Madras and Travancore-Cochin, the Governments had to reduce the minimum wage recommended by a majority of the members of the committee. In fact the provision of a minimum wage being the duty

of Government, the responsibility of the latter is great in fixing it, though every opportunity has to be given for both parties to recommend an agreed wage. In order to provide information on family budgets, a nutritional diet, number of units in the family, prices of food articles and proportion of wage for men, women and adolescents, there should be a research section in State Governments to undertake periodical enquiries and supply the necessary data. These are not matters for majority decision but fact-finding. Secondly in order to provide a democratic procedure for negotiation, representatives of employers and labour should be elected. Thirdly the working of the Act recognised differential wages for different regions and different categories of estates depending on yield and acreage. There was no reason for minimum wage to differ except on the basis of nutritional needs of different regions and cost of living. A minimum had nothing to do with varying costs in the management of estates. Labour also rightly demanded a living wage. Maximum scope for labour and employers should be given to come together. For these reasons, the constitution of standing wage committees to advise the Government on wages at the regional and state level is necessary.

Minimum wages not to be altered except for changes in cost of living

6. We feel that to avoid criticisms and disputes it would be better not to disturb the minimum wage frequently once it is fixed except it be to raise or lower it according to changes in cost of living. The Assam Government replied as follows on this subject:—

“The efficiency of the labourers should be raised by providing better facilities and amenities of life and not by merely raising wages every now and then, which has not always resulted in increased efficiency.”

Exemptions from Minimum Wages Act not recommended

7. We have carefully considered the question whether minimum wage could apply to all holdings and estates, small and big, and to plantations without factories and are of the view that in so far as the wage is a minimum, there can be no such exemptions. The statutory fixation of minimum wages and the provision of amenities under the Plantation Labour Act are attempts in the direction of ensuring that labour gets not merely a bare subsistence, but a certain amount of frugal comfort and essential amenities like medical aid and educational facilities for children. A living wage giving more facilities will have to be left to be negotiated between the parties as it will be difficult to fix it by law.

Minimum Wages give some security to labour

8. The Travancore-Cochin notification (30th June 1952) said, “The minimum wage is based on the assumption that employers will provide work for their labour force throughout the year failing which the labourers will be given their minimum wages for the days on which

they are involuntarily unemployed. But the obligation of employers is only to offer some kind of work connected with the estate and a worker who refuses to accept that work will automatically forfeit his claim to the wage also”.

The Assam Government issued a notification on 24th October, 1953, laying down that minimum wages for tea garden labour shall be payable subject to 6 days' work being offered, failing which the rate of wages payable for the remaining days shall be proportionately increased. The West Bengal Government at the time when minimum wages were reduced at the beginning of 1953 made it a condition of the reduction that 6 days' work should be offered in all cases and when minimum wages were restored in 1954 continued this condition. Also there were the provisions for lay-off compensation and retrenchment. These provisions give some security of tenure for plantation labour. But if an income more than a minimum wage is to be earned, it has to come from extra work and supplementary employments in the slack season which are dealt with elsewhere.

Plucking wages—various systems of wage fixation considered

9. Plucking forms a substantial part of labour work in a plantation. Out of a 100 days of labour per acre, plucking forms two-third the number of days. Different systems are followed for payment of wages for plucking. They are described in Annexure LII. It will be seen that the systems followed in Madras and West Bengal are the least satisfactory. In Travancore and Assam, fixation of rates for plucking has certain good features.

Speaking of plucking rates the Chairman of the Indian Tea Association said at an annual meeting “our present system of plucking rates is not only unsatisfactory but unfair since it favours the lazy workers and penalises the diligent”.

Our Recommendations thereon

10. After considering the different systems mentioned in Annexure LII, we recommend that a piece rate for plucking should have the following components:—

- (i) It should progressively increase for quantities plucked.
- (ii) It will have to be higher in the cold season or for bushes recently pruned when the quantity of leaf is small.
- (iii) It should be fixed in such a way that it enables a worker to earn at least minimum wage for a normal working day.
- (iv) The rate should be equal for men, women and adolescents.

Tasks—and their fixations

11. Most work in plantations is done on a task or piece basis. A standard task is set for the normal working day and the wage is paid if it is completed. According to West Bengal Government “no task corresponding to time could be fixed as the condition varied from region

to region, between garden and garden within the same region and even from day to day within the same garden depending on the extent of rains, soil conditions etc." The same is true of every region. This was the reason why Assam, West Bengal, Madras and Travancore-Cochin Governments did not attempt to fix tasks but left them to be regulated by managements and labour. This was often a fruitful source of dispute. So long as wage is related to task, task could be fixed only by the management with the acquiescence if not the consent of labour. According to the Indian Tea Association "piece-rates have in general, been determined by managerial decision, in most cases after bipartite conferences of one kind or another with representatives of labour. There are works committees on most of tea estates through which any complaint regarding the weight of tasks may be brought to the notice of the management and as a result of such representations, special tasks, such as hoeing, pruning, etc., are frequently modified in accordance with local conditions". (Reply to I.L.O. Questionnaire).

In South India, constant consultations with labour regarding tasks were made by managements. Traditional tasks were hardly disturbed as they would result in disputes. One result of relating tasks to hours of work is that they have to be pitched so low that even an average worker should be able to complete it within the normal working day of 8 hours. As every worker should earn a minimum wage, the task has to be sufficiently low. Naturally those who completed the task early have more leisure in the afternoons. This results in a national waste of human resources, as such workers have no work to do after the task is completed. Under the present system everybody would earn something, but the productive capacity of labour is not utilised to the maximum. The Indian Tea Planters' Association, Jalpaiguri, said in their reply:

"It is necessary that a policy should be enunciated that against a full day's minimum wage a worker is bound to put in 8 hours work and that for the lesser hours of work, he will be paid less, *pro rata*; as regards tasks or piece rates, the minimum work load should be such as an average worker may complete in 8 hours; as an incentive to diligent worker, it should be prescribed that performance in excess of or less than the minimum work load should entitle the worker to additional wage or subject him to a reduced wage *pro rata*".

This proposal would imply that additional work would be available for the workers after the completion of the standard task for the day. Subject to this contingency, in the interest of increasing productivity, a worker who completed a greater amount of task should be paid *pro rata*. The Act also permitted the fixing of a rate of wage in proportion to piece-work executed.

Our Recommendation for Task Fixation

12. An improvement in task rates lies in the directions mentioned in the above para. But the success of task-fixation depends on a number of factors. As mutual negotiation is necessary, a democratic

procedure should be provided for fixing the tasks in each garden for each season and revising them owing to seasonal changes beyond the control of the employer. The labour inspector should help this negotiation and the agreement arrived at should hold for one season. When the quantum of work is less and, therefore, the task to be distributed is less, the rate will have to be raised as in Travancore in the case of plucking rates. There should be no discrimination in the distribution of tasks. A preliminary test will help to make labour feel that it is reasonable. Any amount of caution will not be too much as fixing of wrong rates will lead to much trouble. The contents of the task should as far as possible be standardised in order to avoid disputes among labour. The tools and other equipment, machinery, and work organisation should be in proper order so that they in no way hinder normal work. When work is interrupted for lack of tools or material, or owing to breakdown of machinery, a record should be kept and payment made at time-rates. The task rates should be different for jobs which are hard or require skill.

Task—Fixation to be scientific

13. Productivity will improve if more attention is paid to job classification, job contents, and evaluation of skills. To provide a lower task with lower remuneration for women and adolescents irrespective of their capacity is discriminatory. Also every worker would like his capacities to be recognised as otherwise life will be meaningless to a permanent worker on a job. In this connection the resolution of the committee on work on plantations (I.L.O.) is worthy of consideration and is quoted below.

“Steps where appropriate, should be initiated by public authorities to encourage job classification, determination of job contents and evaluation of skills. The employers and workers concerned through their representatives should be associated in the introduction of the above measures.”

Time-Wages—defects analysed and remedies suggested

14. Minimum wage on a time basis is at present paid only in respect of unavoidable works which cannot be measured by numbers, area, or weight or where there is provision for a guaranteed time wage over the piece rate. Even so, it lends itself under present conditions to be abused by labour as a time wage only meant conformity to time and not necessarily the execution of a fair amount of work. Experience in West Bengal in some gardens was that casual labour employed on sickling worked 8 hours a day and did twice the amount of work done by some garden labour which owing to a lacuna in the Act worked for the legal minimum of 5 hours' work for earning the minimum wage. Experience in Assam was that workers did better on piece than time rates. It has been represented that in Travancore-Cochin some workers observed the legal requirements by being on the field for the prescribed number of working hours but going slow so as to enable more of their relations, dependents and friends to get work. There was also the fear that efficient work might lead to an increase in the task.

A minimum time wage will not affect output only when labour did not absent itself, and had a high sense of duty and responsibility. The existing section in the Minimum Wage Act provided for a *pro rata* reduction in the wage if a worker did not work for the specified number of hours. This should be implemented in all the states.

Hours of work and overtime

15. The quantity of leaf plucked in two months of the peak season was 3 to 4 times that of the quantity plucked in the slack season. The weekly rest and the total hours per week prescribed in labour laws should be flexible enough so that production in the field and factory did not suffer and the worker was not prevented from making the maximum income in the peak season. Also a progressively higher rate for overtime hours of work will be an incentive to labour productivity.

Higher Productivity—Its reaction on employment—Our suggestions

16. The question is often posed whether countries having a large unemployed population can increase productivity thereby creating more surplus labour. We, however, feel that there exists some possibility of absorbing this surplus in the expansion of the Tea, Rubber and Coffee plantation industries. The increase in the general level of employment in the country may also absorb a certain number of the surplus labour. Labour would ordinarily be against any change in methods of production which may result in reduction in its numbers and consequent unemployment. It would fear a cut in piece rates. Any scheme of increasing labour productivity should, therefore, ensure that workers if retrenched should be fully protected as regards their future. The existing sections in the Industrial Disputes Act providing for lay-off compensation and retrenchment allowance is one safeguard. The fixing of tasks with the consent of labour is another. A third would be to provide that any retrenchment resulting from schemes of increased productivity should have the prior approval of State Governments.

Section F

Industrial Relations

Disharmony in Industrial relations—their expressions

Harmony in industrial relations is an essential pre-requisite for the prosperity and efficiency of the Tea industry, which is one of the largest employers of labour. Disharmony in industrial relations cannot be measured by the number of strikes alone. It expressed itself in many forms. It was represented to us especially in West Bengal and Travancore-Cochin that instead of utilising the authorised procedure laid down by law for the peaceful settlement of industrial disputes, labour sometimes resorted to illegal and violent methods of coercion leading to breaches of peace and creating problems of law and order. Such incidents as 'wrongful restraints and confinement of managers, wrongful confinement of the police followed by riots, wrongful confinement of a labour officer, disturbances and assaults, riots of a serious character

including attack on the police leading to maintenance of armed police in the garden', are most unhealthy methods of protest (Annexure LIII). Referring to the killing of 5 persons in a labour dispute in Darjeeling, the Tea Board in one of its resolutions regretted that 'the recent dispute led to a situation culminating in loss of life'. One result of this form of protest was that the main dispute which was to be decided receded into the background and problems of law and order came to the fore-front. These forms of protest took no account of the civil rights of third parties, namely the citizens of the country, many of whom were put to great inconvenience by these happenings. Various representations were made by employers complaining about light punishments to labour for serious offences. Labour equally complained that there were unjustified prosecutions by the police at the instance of employers under Section 107, C.P.C. Also in a few gardens police help was sought by both the parties. Without in any way trying to assess the merits of these representations, it might be stated that these indicated a state of unhealthy industrial relations requiring police intervention.

Illegal strikes

2. It was brought to our notice that the provisions of Sections 26 to 31 of Industrial Disputes Act were not utilised though there were illegal strikes. The State Governments replied as follows on this question. The Travancore-Cochin Government said "penal provisions under Sections 26 to 31 have not been enforced during the last 3 years." The Assam Government said "no penalties were enforced during the last 3 years." The Coorg Government said "no penalties have been enforced so far." The Mysore Government said "the question of enforcing penalties has not arisen so far. There was a case of breach of settlement in 1954 and the party was punished under Section 29 of the Act." The Madras Government said that "no prosecutions were taken up during the last 3 years."

The following were the answers to the questionnaire regarding illegal strikes.

"Plantation workers in the State of Madras have more than once resorted to illegal strikes." (U.P.A.S.I.)

"There has been a tendency to engage in strikes simply to call attention to an alleged grievance which could have been brought to notice and its merits considered had the Union concerned been registered and recognised and prescribed procedure followed. Strike ballots are never taken and strikes are called not on the demand of the workers themselves but at the instigation of self-chosen leaders from outside the industry." (I.T.A.)

"There is no known instance where Government has prosecuted any worker or union leader for participating in or instigating an illegal strike although this is an offence punishable under Sections 26 to 28 of the Industrial Disputes Act." (U.P.A.S.I.)

“For the last three years it has become a feature of the union to call a general strike during the peak production months of the year.” (I. T. P. A. Jalpaiguri.)

The number of strikes during pendency of conciliation and tribunal proceedings was 35 in 1952-53, 13 in 1953-54 in Assam, 1 each in 1951 and 1952 in Madras.

Extent of strikes and lockouts

3. We shall now examine the extent of strikes and lockouts in the industry (Annexure LIV). We should take note of the fact that many of the strikes were often work stoppages for a half-day or a day, just to stage a protest. The largest number of strikes happened generally in the plucking season between June and August. The number was large in 1953. Analysed according to causes, out of 281 strikes in 1953 in Assam, Darjeeling and Dooars, 225 related to wages and tasks. The second largest group of strikes numbering 23 related to sympathetic strikes and political agitations. Analysing by total number of disputes including strikes, Travancore-Cochin showed the highest number. Out of 679 disputes in 1954-55, 145 related to wages, 110 to bonus, 108 to personnel, 65 to hours of work and 251 to others. West Bengal had only about half the number of workers in Assam. But between 1948 and 1954 excluding 1953, an exceptional year of strikes, the West Bengal workers suffered an equal loss in wages amounting to Rs. 1.77 lakhs while the loss in Assam amounted to Rs. 1.67 lakhs. In 1953 the following were the figures of strikes in North India :—

TABLE XL

Table showing Region-wise analysis of industrial disputes in North India.

	Total Labour force in lakhs	Number of Strikes	Number of workers involved	Man-days lost	Loss in wages	Loss in maunds
Assam . . . }	5.49	203	1,73,430	2,24,291	2,80,382	13,853
Cachar . . . }		24	22,316	26,930	23,077	...
Dooars . . . }	3.22	52	45,842	1,26,463	1,48,004	11,325
Darjeeling . . }		2	1,203	27	700	...
Total for 1953 .		281	2,42,791	3,77,711	4,58,463	25,178

SOURCE .—State Governments' replies.

The number of man-days lost per worker in Madras ranged between 3 and 6 in the years 1951-53. In Travancore-Cochin the number of man-days lost during these years ranged between $4\frac{1}{2}$ and 8 per worker. When the bargaining units are put on a sound basis, a democratic procedure for strikes provided, and strict notice taken by the State Governments of illegal strikes, the latter will greatly diminish in number.

Kinds of disputes relating to disharmony analysed

4. The kinds of disputes which resulted in disharmony between management and labour are given in Annexure LV. They related mainly to profit-sharing, proper fixing of tasks, reinstatement of discharged and dismissed personnel, leave with wages, and retirement benefits (Annexure LV). Certain other causes leading to industrial disharmony were also brought to our notice. It was pointed out that (i) the existence of an agricultural sector with a lower standard of life and a processing and marketing sector in the hands of big business used to a higher standard of life, created a problem whose solution rested on the growth of a larger understanding of labour and a broader outlook on the part of management to share its privileges with labour, (ii) there were estates which had lower yields, higher costs and lower profits which could not give as much benefits to labour as estates which had higher incomes, (iii) disharmony was accentuated in newly purchased estates, (iv) temporary nature of ownership in such cases as leases, receivership etc., resulted in the management failing to provide proper working conditions for labour, and (v) deficiencies in labour laws and their implementation added to the disharmony in industrial relations.

5. We feel that No. (i) is inherent in any industry where there are conspicuous inequalities in salaries and wages and is not peculiar to the Tea industry only. No. (ii) is inevitable so long as the private sector meant a large number of industrial units having varying incomes and profit-margins and consequently varying benefits for labour. No. (iii) Some disharmony arose in newly purchased estates which is dealt with in the chapter on sale of estates. No. (iv) becomes unavoidable in certain circumstances. No. (v) will be remedied with a progressive improvement of labour laws and their implementation. Disharmony arose out of certain actions of management and labour, which could be avoided. Unfair practices such as refusal to grant interviews or negotiate, favouritism and discrimination in treatment of employees, evasion in implementing the Plantation Labour Act, dismissal of workers without cause, supporting one union against the other—these acts on the part of some managements increased disharmony. The illegal methods sometimes resorted to by some labourers in expressing their grievances, already referred to, added to it.

Machinery for labour management co-operation

6. Opposition between groups of different views or having different interests are bound to exist in a democracy. So long as such differences do not result in endangering the State or impeding progress they are to be welcomed as a training ground for democracy. What is needed is the formulation of a correct procedure to facilitate the resolution of conflicts and ironing out of differences by a process of discussion, toleration of differences, and acceptance of majority decisions.

Voluntary negotiations

7. Voluntary negotiation has shown what it can achieve in industrial relations both in Assam and Madras. The Chairman of the Indian Tea Association has testified generally to the co-operation of

the Indian National Trade Union Congress in settling differences between labour and employers. In the South, the Madras Government used its influence in bringing labour and management together. The workers of the Estate Staff Union of South India achieved good results by voluntary negotiations. This union settled 18 out of 43 disputes and 59 out of 114 in 1953-54 by direct negotiation. In West Bengal 2 out of 37 in 1953 and 3 out of 11 in 1954 were settled by direct negotiations. In Travancore-Cochin out of 857 disputes in 1952-53, and 997 disputes in 1953-54 only 39 and 6 were settled by direct negotiations (Annexure LVI). Voluntary negotiations failed where competition for leadership was keen and the objectives of leadership were not solely directed to the solution of concrete grievances. To succeed, voluntary negotiations should be done by duly-elected bargaining agents. A procedure should be laid that negotiations should be through the works committees or the trade unions as the case might be. Violation of agreements entered into by voluntary negotiations should be penalised. Such agreements should also be registered. The new Industrial Disputes Amendment Bill (1955) is to be welcomed for making settlements by agreements binding on both the parties.

Conditions necessary for successful negotiations

8. Some of the negotiations in Assam and Madras indicated how such negotiations could be successful. They were carried on at the estate level. They related to concrete grievances. As both parties realised the local circumstances, chances of agreement were greater. Right conditions for negotiation can exist only if labour officers are precluded from taking up any complaints unless they are forwarded through the management, works committees or trade unions. Only when a dispute could not be settled through a defined procedure for direct negotiation, should it be taken up for conciliation

Conciliation

9. The number of conciliations in West Bengal were few but Assam utilised the conciliation machinery to a larger extent. The number of conciliations undertaken was 93 in 1953. In West Bengal the number of conciliations by labour officers was 3, 4 and 7 respectively in 1952, 1953 and 1954. Informal conciliations were not, however, recorded. But conciliators have done a useful work. Regional conciliation officers could do a great deal to prevent irresponsible demands of labour and to see that reasonable demands were satisfied. One officer in the Dooars undertook a time-study and faced the union leaders with facts as to the fairness of pruning tasks. In Travancore-Cochin labour officers have conciliated 808 out of 857 disputes in 1952-53 and 950 out of 997 disputes in 1953-54. In Madras a very large amount of conciliation work was done (Annexure LVI).

Defects in the working of conciliation machinery

10. While the conciliation service has on the whole minimised strife and disharmony in the industry, certain difficulties in its working were brought to our notice. Under Section 33 an employer is prevented, during the pendency of a dispute, from altering the conditions

of service, without the permission of the conciliation officer. A conciliation officer may take cognisance of a dispute without any application from either party. The consequence is that, when a conciliation officer does so, the employer should take his permission in writing for altering conditions of service or discharging or punishing a workman. The conciliation officer has to submit a report to Government at the close of the proceedings. This is, however, generally forwarded to the Commissioner of Labour as chief conciliation officer who would take his own time to forward it to Government. The law did not provide for two sets of conciliation officers as 'chief and subordinate'. The proceedings terminated only when the report reached the Government. The consequence was that the employer's hands in exercising some of his powers of management became tied, as a result of Section 33. The various other defects in the working of the conciliation service as brought out in the evidence are given in Annexure LVII. These show that delay in the submission of awards to Government made legal strikes illegal and prevented the exercise of normal powers by the managements owing to the operation of Section 33, that officers did not assume an impartial attitude, and interfered too much, and too many adjournments were given (Annexure LVII). The Madras Government reported that 27 out of 83 cases of conciliation could not be concluded within 14 days in 1954-55.

Reports from either parties should precede joint discussions

11. It was represented that as soon as a complaint was received from a worker, some conciliation officers called the employers for a joint discussion. They should, we feel, ask for a report from the manager and discuss with him, if necessary, before calling the management for a joint discussion with the worker.

Quality of the personnel of conciliation officer

12. As regards the quality of the personnel of conciliation officers some views represented are given in the Annexure LVII. About the officers in Assam, Indian Tea Association replied to the questionnaire of the Labour Ministry in September 1952 as follows :—

“There have been many complaints about the quality of the officers appointed and their intervention in Labour disputes has often had unhappy results.”

The United Planters Association of Southern India said :—

“In South India the labour conciliation officers are usually inexperienced young persons who fail to appreciate the difficulties which the management have to contend with in running an establishment efficiently. They often lack the personality to influence either party to see the right thing.”

Conciliation by mediation—Our suggestion

13. Conciliation can play a great part in settling disputes if the officer had a proper status as a disinterested third party as well as necessary powers. The conciliator should have a right to formulate

a mediatory proposal when necessary and place it for balloting by the trade unions and employers. The negotiators are not empowered to make such proposals but a conciliator can. As such proposals will see the light of publicity, both parties may be reluctant to go against them because the onus of satisfying public opinion that they are justified in rejecting the conciliator's proposals will be on the party who wants to reject it.

Summary of our recommendations for improving the machinery of conciliation

14. We may now summarise indicating how the future of conciliation service could be advanced. The Amendment Bill to the Industrial Disputes Act now before the parliament is a great improvement on existing conditions. The conciliation officer gets more facilities and powers for discharging his duties. But this is not sufficient. The great need is recruitment of the proper personnel. Secondly their proper training is equally essential. Thirdly the independent status of conciliation officers should be maintained by not combining in them the functions of prosecutors for breaches of the several labour laws. The conciliation service should be an independent unit under the Ministry of Labour and not under the Commissioner of labour. Lastly a conciliation officer should not act unless requested by management or by labour through works committees or trade unions. Agreements made should be registered and their breaches penalised.

Tribunals

15. Tribunals become a necessity when both parties are not able to settle their differences by mutual negotiation and the conciliation machinery too fails. Tribunals were used to a greater degree in some States than others. In Assam 27 disputes were either decided or pending before the tribunals in 1953. On the whole, tribunals in Assam have contributed to industrial peace and have helped both management and labour in a proper approach to their rights and responsibilities (*vide* Annexure LVIII for summaries of awards of tribunals).

Difficulties in the working of Tribunals

16. In Madras a single tribunal was appointed over a period of 4 years to decide disputes of about 250 estates relating to almost all important matters (*vide* Annexure LIX) and the same procedure was adopted recently in Travancore for about 750 estates; while this system had no doubt its advantages, its chief disadvantage was that the work-load on the tribunal was too heavy for expeditious disposal of business. The Industrial Disputes Act Amendment Bill, 1955 has provided for recruitment of tribunal judges and expeditious awards and fixed the age of judges at below 65 and thereby tried to remove the existing complaints about tribunals.

In the system of tribunals, difficulties were experienced not merely in the working of the latter, but also in the mode of references made by State Governments. There are two bodies existing in the State Governments—the Advisory Committee for minimum wages and the tribunal for deciding disputes about wages. In Madras, the Government issued a G.O. 1186—20-3-1952, fixing minimum wages. On the

24th March, 1952 within 4 days of the issue of this G.O., it issued another G.O. appointing a tribunal to revise the wages. Some provision is necessary in law making the State Advisory Committees the only agency for fixing and revising minimum wage. Secondly, important issues are referred to the same tribunal from time to time. The orders too had to be amended in order to clarify expressions such as 'whether each class of employee' meant 'clerical and manual'. In Madras, a single tribunal sat for 4 years. The judge was changed three times and the fourth judge is now sitting. In Travancore the first incumbent has resigned and the vacancy was not filled up till October 1955. To ask a single judge in Madras to decide the issue of bonus for 250 estates for the year 1950 meant that he should examine the profit and loss account of each individual estate. Delay was, therefore, inherent in the very nature of the reference and the inadequacy of a single judge to decide all the matters.

References to Tribunals to be only as last resort—suitable checks to be provided by Law against needless references

17. In respect of the Minimum Wages Notification the Assam Government used expressions which led to more than one interpretation; but instead of rectifying them themselves, they asked a tribunal to say what those words meant. The matter went up to the appellate tribunal with serious repercussions on the labour-management relations over a long period regarding food concessions and their cash conversion. It was, therefore, necessary that some check should be exercised before a dispute was taken to the tribunal. The amendment bill provided one check by the method of arbitration. The second check was provision for enforcement of agreements between employers and workmen reached otherwise than in the course of conciliation. These were inadequate to prevent an excessive use of tribunals. If compulsory arbitration came only as a last resort, when all methods of negotiation, conciliation, and arbitration are exhausted, then the law should provide for such procedure for referring disputes to tribunals.

Section 33 of the Industrial Disputes Act to refer only to victimisations as in the Bombay Act

18. But what causes a deadlock in the industry is a certain provision in the Act—Section 33. According to this section,

“no employer shall alter the conditions of service applicable to workmen nor discharge or punish any workmen save with the express permission in writing of the conciliation officer, board or tribunal. Any employee aggrieved by such contravention may make a complaint in writing to the tribunal which shall adjudicate it as a dispute and submit its award etc.”

Broadly put, conditions of service relate to classification of workers, hours of work, holidays, wage rate, payments of wages, attendance, temporary stoppages of work, ingredients of misconduct, sick leave, housing etc. This list is only illustrative. Day-to-day orders of the management are unavoidable on these matters. The consequence

has been that the tribunal judge in Madras had to decide 78 cases under Section 33, and 32 cases under Section 33-A, in 1953-54 (Annexure LX). While the management withdrew 5 out of 78 cases, labour lost in 25 out of 32 cases in their complaints (annual report of South Indian Estates Labour Relation Organisation). It was represented that—

“in Travancore-Cochin at the rate of 3 petitions per estate per month the one-man tribunal for 600/700 estates should hear and settle about 100 cases every single day before he can proceed with the main case.”

The tribunal, instead of deciding on the issues had been side-tracked to grant awards on the working of standing orders of employment and thus the day-to-day management was made more difficult. The amendment bill is an improvement on the existing Section 33. But supposing the dispute covered a large field of labour-management relations, this will still keep the undertaking under the tribunal in regard to day-to-day administrative affairs. Section 33 should be so drafted that it should relate only to victimisation as in the Bombay Industrial Relations Act. The Bombay Industrial Relations Act, 1946 has the following provisions :—

“101. (1) No employer shall dismiss, discharge or reduce any employee or punish him in any other manner by reason of the circumstance that the employee—

- (a) is an officer or member of a registered union or a union which has applied for being registered under this Act; or
- (b) is entitled to the benefit of a registered agreement or a settlement, submission or award; or
- (c) has appeared or intends to appear as a witness in, or has given any evidence or intends to give evidence in proceeding under this Act or any other law for the time being in force or takes part in any capacity in, or in connection with a proceeding under this Act; or
- (d) is an officer or member of an organisation the object of which is to secure better industrial conditions; or
- (e) is an officer or member of an organisation which is not declared unlawful; or
- (f) is representative of employees; or
- (g) has gone on or joined a strike which has not been held by a Labour Court or the Industrial Court to be illegal under the provisions of this Act.

A time-limit to be fixed for disposal of references to Tribunal

19. The Travancore-Cochin Government have brought to the notice of the Commission that—

“there have been complaints about delay in the disposal of cases before the industrial tribunal and that the delay often tells on the morale of the workers and the efficient functioning

of trade unions.....The possibilities of enhancing the number of tribunals and certain time-limit for the tribunals to dispose of the cases should be explored.”

We consider that when once permanent labour courts are established for deciding day-to-day disputes, as proposed in the new amendment bill, the need for tribunals will be reduced. But there should be some provision fixing a time limit for disposal of references by the tribunals.

Ban against Lawyers appearing before Industrial Tribunals to be removed

20. Another defect was brought to the notice of the Commission by the Travancore-Cochin Government as expressing the view of the Industrial Tribunal, Trivandrum. Section 36 of the Industrial Disputes Act does not permit the appearance of lawyers before tribunals. It is circumvented by appointing lawyers as members of the executive committee in employers' Associations and trade unions. This provision in one way compels trade unions to have outsiders in the executive committee while many State Governments have proposed the need for reducing outsiders. This Section of the Act indirectly increases their number in the trade unions. The proposal of the Industrial Tribunal, Trivandrum, namely 'the ban imposed against legal practitioners may be removed thereby discouraging parties to circumvent the provisions of Section 36 on account of necessity', is worthy of consideration.

The need for an independent Tribunal Service

21. Before closing this Section on a proper machinery for industrial relations, the Commission would point out the need for an independent tribunal service. It was not enough that labour courts and tribunals comprised judges with judicial experience. *Ad hoc* recruitment for tribunals will not establish sound traditions and practices. Knowledge and experience of the organisation of the industry is equally necessary for judges of industrial tribunals. They should have a cadre of their own. Their awards will have great reactions on the respective places of the employer and labour in the industry. They should, therefore, become part of a ministry which is concerned with law and justice. The status of tribunals should be high enough to command the respect of both management and labour.

Works Committees

22. Works committees are statutory bodies since 1948, formed as a forum to bring management and labour together. Labour did not take to them kindly in Assam. It was said :

“they are not constituted under the provisions of the Act. They are composed of persons who support the management. Their action leads to widen the gulf between management and labour.”

The Indian Tea Association said in reply to the questionnaire of the Ministry of Labour about the amendment needed in the Industrial Disputes Act :—

“Voluntary committees were more successful than works committees, (2) rivalry between labour unions prevented the formation of works committees in Cachar, (3) the functions overlapped with those of trade unions, (4) method of selection of members by trade unions should be excluded.”

Some representations regarding their working

23. The following were the representations about works committees in Madras. Labour said ‘neither management nor labour takes it seriously’. Employers said that “trade unions set up their own committees in opposition and in certain districts conflicts between rival trade unions disrupted the proper functioning of works committees”. The United Planters Association of Southern India represented—

“Equal representation is however not possible in the case of works committees where the only persons who can be nominated to represent the management are the Superintendent or Manager and in a few cases the Assistant Superintendent or the Assistant Manager and the workers’ representatives on packed committees go on moving resolutions in respect of demands which the management cannot possibly see their way to accept.”

In West Bengal labour represented that “they encouraged wrong doings of management by ratifying them and never dared to voice their real feelings” and management represented “they function well when there is no labour union”. Most Governments felt that the committees did not have a fair chance of working. According to the Madras Commissioner of Labour ‘the trade union leaders felt that the committees tended to minimise the importance of the role of trade unions and do not, therefore, favour these committees’. According to the West Bengal Commissioner of Labour ‘His directorate has not yet been able to form works committees in all tea estates of Dooars due to non-co-operation of particular unions. Attitude of trade unions would change gradually’. The Travancore-Cochin Government said ‘rivalry among trade unions accounts for the failure of the committees. Works committees are fading out or are becoming defunct’. The Assam Government replied that the committees worked smoothly.

Weakness of Works-Committees—How they can be made more useful

24. So long as the bargaining units of labour are not sound, and management-labour relations are not proper, works committees could not function. Labour suspected them and management did not foster them. The question for the management should be not how much information to keep back but how much to impart to the worker which he can understand. In the absence of other agencies for dealing with grievances and labour welfare, the works committees became transformed into a bureau for grievances. They also took on themselves

decision on questions of wages and conditions of service which fell in the sphere of trade unions. Works committees can discuss about increase of production and productivity, improvement in quality, reduction of costs, elimination of wastes, care of machinery, working conditions, use of standardised materials and tools, organisation of work, setting of tasks, welfare, and prevention of accidents. The management may place all information before the committee about plans of production, purchase of fixed equipments and stores, appointments, costs and profits. The works committee should be elected. Works committees may decide disputes if voluntarily placed before them by both the parties. They should work by unanimous decisions. The six year term of workers' representatives, with provision for retirement of a third of them every two years, provided in the Assam rules, would help to create an experienced body of workers for discussion of various problems. When once trade unions are reconstituted as proposed elsewhere, the works committee may be chosen with their consultation. To be successful, the management should select its senior men including the manager as members of the works committee. The manager should consider it his duty to attend these meetings. The junior staff would not be proper substitutes for attending meetings of the works committee. Similarly a committee representing labour should give a special place to senior workers. The choice should be restricted to the latter. At the same time, there could be no useful discussions without membership being granted to the lower and higher grade of supervisors.

Trade Unions—their inherent weakness

25. Trade unions are an indispensable part of an industry. Without providing for their sound constitution and working, there could be no relationship of the two wings of an industry. There should be a unit in the first instance before elaborating a procedure of relationship with it. As the bargaining strength of labour is poor, it has naturally to rely on Government for its protection until its own organisations are in a position to deal on a par with managements. While this dependence on Government cannot be dispensed with in this transition period, it has brought also an evil along with it of labour organisations becoming merely citizens bureaus for representation of their day-to-day problems to labour officers. It has been mentioned in this connection that all that some of the unions consider it necessary to do, is to draft a list of demands and forward it to the Labour Departments of Governments. In the interest of a rapid promotion of industrial harmony, no amount of care will be too much in seeing to it that officials intervene to the minimum and in enforcing the maximum of mutual negotiation and rapidly building strong trade unions for this purpose.

Trade Unions and outside leadership

26. Trade unions of plantation labour cannot dispense with outside leadership. The risks in the executive of unions comprising outsiders are referred to by the vice-president of the Estate Staff Union of South India (Annexure LXI). He has appealed for greater powers to the Registrar to check the evil of wrong leadership.

As regards the working of federations, the president of one of the federations said in a conference of plantation employees that their

“membership was doubtful, their representative character was next to nothing, they were federations on paper, they make representations totally opposed to interests of workers and are totally divorced from the opinion of the members”.

While these remarks indicated certain defects, it should not be taken as a castigation of all federations. There existed many federations working very well.

The Commissioners of labour of respective Governments replied as follows about outside leadership :—

“A noteworthy feature of plantation workers’ unions is that in many cases the number of outside officers are fairly large which distinguish them from unions in other industries where only a small number of outsiders are retained in the key posts only which gives them the control of affairs” (West Bengal).

“The number of such outsiders may be restricted to 4 or 25% of the total strength of the executive whichever is less” (Madras).

“Outsiders are necessary to a certain extent due to the present illiteracy of the workers but it is considered desirable to decrease the ratio with the advent of literacy among the workers as there is always a likelihood of the workers being exploited by irresponsible labour leaders for political gain” (Assam).

The position in regard to outside leadership was that its election lay with a membership which was not mature enough to select the best men and consequently failed to attract the best workers.

Necessity for a whole-time cadre of Trade Unions workers

27. Some machinery should be devised which would give security to trade union officials who wanted to work in the field of labour. Trade unions required a cadre of whole-time workers in order to implement the various rules of a trade union according to the Trade Union Act. If trade unions are not to be a mere forum for certain persons to make off-and-on representations or a mere movement for organising meetings and conferences but the lower house of industrial democracy to co-operate in the management of private and public undertakings, then a properly recruited, trained, decently paid and well-directed trade union cadre with adequate job security, was unavoidable. Many educated unemployed youths start their career as workers for labour and finding it impossible to maintain themselves, leave for more permanent jobs. A few more clever ones settle as trade union workers living on what little they get as off-and-on contributions from labour. It is creditable that in the existing state of affairs unions like the Assam Cha Sramik Union and the South Indian Estate Staff Union are able to maintain a staff of paid workers.

Outside leadership can be divided into two kinds—(1) those who would like to work whole-time for trade unions and (2) those who could

decision on questions of wages and conditions of service which fell in the sphere of trade unions. Works committees can discuss about increase of production and productivity, improvement in quality, reduction of costs, elimination of wastes, care of machinery, working conditions, use of standardised materials and tools, organisation of work, setting of tasks, welfare, and prevention of accidents. The management may place all information before the committee about plans of production, purchase of fixed equipments and stores, appointments, costs and profits. The works committee should be elected. Works committees may decide disputes if voluntarily placed before them by both the parties. They should work by unanimous decisions. The six year term of workers' representatives, with provision for retirement of a third of them every two years, provided in the Assam rules, would help to create an experienced body of workers for discussion of various problems. When once trade unions are reconstituted as proposed elsewhere, the works committee may be chosen with their consultation. To be successful, the management should select its senior men including the manager as members of the works committee. The manager should consider it his duty to attend these meetings. The junior staff would not be proper substitutes for attending meetings of the works committee. Similarly a committee representing labour should give a special place to senior workers. The choice should be restricted to the latter. At the same time, there could be no useful discussions without membership being granted to the lower and higher grade of supervisors.

Trade Unions—their inherent weakness

25. Trade unions are an indispensable part of an industry. Without providing for their sound constitution and working, there could be no relationship of the two wings of an industry. There should be a unit in the first instance before elaborating a procedure of relationship with it. As the bargaining strength of labour is poor, it has naturally to rely on Government for its protection until its own organisations are in a position to deal on a par with managements. While this dependence on Government cannot be dispensed with in this transition period, it has brought also an evil along with it of labour organisations becoming merely citizens bureaus for representation of their day-to-day problems to labour officers. It has been mentioned in this connection that all that some of the unions consider it necessary to do, is to draft a list of demands and forward it to the Labour Departments of Governments. In the interest of a rapid promotion of industrial harmony, no amount of care will be too much in seeing to it that officials intervene to the minimum and in enforcing the maximum of mutual negotiation and rapidly building strong trade unions for this purpose.

Trade Unions and outside leadership

26. Trade unions of plantation labour cannot dispense with outside leadership. The risks in the executive of unions comprising outsiders are referred to by the vice-president of the Estate Staff Union of South India (Annexure LXI). He has appealed for greater powers to the Registrar to check the evil of wrong leadership.

As regards the working of federations, the president of one of the federations said in a conference of plantation employees that their

“membership was doubtful, their representative character was next to nothing, they were federations on paper, they make representations totally opposed to interests of workers and are totally divorced from the opinion of the members”.

While these remarks indicated certain defects, it should not be taken as a castigation of all federations. There existed many federations working very well.

The Commissioners of labour of respective Governments replied as follows about outside leadership :—

“A noteworthy feature of plantation workers’ unions is that in many cases the number of outside officers are fairly large which distinguish them from unions in other industries where only a small number of outsiders are retained in the key posts only which gives them the control of affairs” (West Bengal).

“The number of such outsiders may be restricted to 4 or 25% of the total strength of the executive whichever is less” (Madras).

“Outsiders are necessary to a certain extent due to the present illiteracy of the workers but it is considered desirable to decrease the ratio with the advent of literacy among the workers as there is always a likelihood of the workers being exploited by irresponsible labour leaders for political gain” (Assam).

The position in regard to outside leadership was that its election lay with a membership which was not mature enough to select the best men and consequently failed to attract the best workers.

Necessity for a whole-time cadre of Trade Unions workers

27. Some machinery should be devised which would give security to trade union officials who wanted to work in the field of labour. Trade unions required a cadre of whole-time workers in order to implement the various rules of a trade union according to the Trade Union Act. If trade unions are not to be a mere forum for certain persons to make off-and-on representations or a mere movement for organising meetings and conferences but the lower house of industrial democracy to co-operate in the management of private and public undertakings, then a properly recruited, trained, decently paid and well-directed trade union cadre with adequate job security, was unavoidable. Many educated unemployed youths start their career as workers for labour and finding it impossible to maintain themselves, leave for more permanent jobs. A few more clever ones settle as trade union workers living on what little they get as off-and-on contributions from labour. It is creditable that in the existing state of affairs unions like the Assam Cha Sramik Union and the South Indian Estate Staff Union are able to maintain a staff of paid workers.

Outside leadership can be divided into two kinds—(1) those who would like to work whole-time for trade unions and (2) those who could

only tender advice. It would be unfair to expect free service from outside leaders for maintaining accounts and assisting labour in putting forward its case before employers. A wholetime cadre of workers should be maintained by labour. They should be recruited by regional federations of plantation workers' unions. They should be paid by labour. They should be transferable by the federation. They should be trained in a school for trade unionism. Government may give grants-in-aid for such a school.

A Society of Servants of Trade Unions

28. The primary unions may select from this cadre any person as their whole-time secretary. Those who have rendered life-long service to trade unionism will welcome the assurance of a competence and security and work for it. The Government and the public owed a duty to these workers to make it easy for them to continue the service which is dear to their heart. In order to maintain the integrity, independence, and continuity of service, trade union leaders and workers may also organise themselves into a society of servants of trade union, raise their own funds and maintain themselves, similar to the organisations of social workers proposed in the first Five Year Plan. As and when requested by trade unions they may offer their services. Otherwise they may devote themselves to a study of labour problems, organisation of training courses, and education of workers. This work of study and training should also be aided by Government. As regards outside leaders who can only offer advice, they should be elected by the primary trade union and be in a position to attend their meetings and actually participate in their activities. A provision may be made for an advisory committee in each trade union so that the executive of the latter may be free to take as many advisers as it wanted according to the present Act. The status and dignity of outside leadership should be provided for, by not compelling them to fight an election in a trade union, but by invitation by the general body or the committee of the union. The purpose of advisers is to train labour in managing its affairs. The more rapidly this training proceeds the less will be the need for such advisers. At the industry level in each region or State, the federation may have equally the assistance of advisers to be selected from those in the primary unions. The same procedure may be followed for the industry at the all-India level. While the principle that labour alone should run the primary union should not be compromised in any manner, outside leadership may be necessary in the executive of regional and all-India bodies. A small number not exceeding 25% of the total membership may be invited to serve in their executive.

Existence of more than one union harmful—The most representative unions to be chosen

29. Another problem in trade unions was the existence of more than one union which gave room for a changing membership, and a single workman being a member of more than one union. According to the Madras Government :

“more than one union is functioning in most of the plantations affiliated to Indian National Trade Union Congress, All India Trade Union Congress, etc.”

According to the Government of West Bengal,

“ordinarily there is little co-ordination between unions where there are more than one in a garden or region but when large issues are involved there is a tendency to make common cause against the employers”.

When more than one union exists, various consequences follow. Each union is compelled to adopt devices to show greater strength than the other, such as illegal strikes in order to get the recognition of the employer. Rival unions clash and the police have to act in preventing disturbances. Excessive demands are made by leaders to humour labour to join their unions. Bad managements too get an opportunity to play one union against the other. While the right of association to form as many unions as labour wanted should be upheld, it is necessary to have a single unit for collective bargaining. The most representative unit for this purpose will have to be established. A suitable machinery for verifying membership should be devised for this purpose. Having established the representative unit, its executive committee should be the proper unit for dealing with the employer. Where an employer on a certain percentage of labour requested the services of the Commissioner of Labour, the latter should arrange for the election of the executive just as he did in the case of works committees.

Federation of garden unions dealing with problems which affect more than one garden and at the industry level should form their executives out of the executive committee members of garden unions and a few outsiders not exceeding 25% of the advisory committee members of the garden unions.

Need for improvement of Trade Union Law and its implementation

30. The following extracts of evidence received from State Governments on the working of trade unions showed the need for improvement both in the trade union law and its implementation. (i) There was no elaborate machinery to inspect and check whether the unions conform to the Act. Compliance with the provision of the constitution of the union (safe custody of funds, submission of returns, maintenance of registers) cannot be enforced by the Registrar as this does not amount to violation of the Indian Trade Unions Act, 1926 (West Bengal).

(ii) As there is no provision in the Act enabling the Registrar to call for and inspect such records it depends on the free-will of the office-bearers to adhere to such provisions or ignore them (Travancore-Cochin Government).

(iii) As regards membership, the figures were unreliable. “There was room for suspicion whether membership claimed was not inflated.” ‘Members in arrears of subscriptions’, ‘sometimes proper receipts not passed for subscriptions collected’. “Annual returns were not submitted in time.” “Unions were ignorant in maintaining accounts”.

(iv) As any seven members may form unions the Assam Government said that 'minimum membership encouraged formation of rival unions at the slightest provocation and hampers the growth of healthy trade unionism and weakens collective bargaining'. Also at present any seven members who apply for registration need not be workers in the garden.

Trade unions should, therefore, have the following rules to safeguard a democratic procedure. Every member should be liable to pay the subscription for the period for which he elects the executive. Where members request the management to pay the subscription, the latter should deduct it from the wage and pay to trade unions. The amount should be credited in the union account in the post office or a bank. There should be penalties for retention by office bearers of cash balance over a certain sum as provided in the by-laws. Submission of false returns should be declared an offence. Annual reports, audited accounts and budget should be presented to the general body. There should be provision for a number of sub-committees in order to provide for participation of members in administration.

Unfair Practices by Labour

31. The following unfair practices on the part of labour were brought to the notice of the Commission. Agreements reached by negotiation or conciliation were violated and strikes were launched for further wages and bonus. Direct negotiation, conciliation and voluntary arbitration did not precede a strike. Unions have refused negotiation. Members and executives of trade unions participate in irregular strikes. False returns were submitted by trade union executives.

Unfair Practices by employers

32. The following unfair practices on the part of employers were also brought to our notice.

Employers made themselves inaccessible thereby compelling labour to resort to direct action. Trade union officials and employees who made allegations or gave evidence against them in enquiries were victimised by employers. They supported one union against the other or interfered with formation or administration of unions.

Enforcement of the clause relating to unfair practices in the Trade Union Amendment Act, 1947, necessary

33. Some of the State Governments wanted that the clauses relating to unfair practices in the Trade Union Amendment Act, 1947 as yet kept in abeyance, should be enforced. The Madras Government said "it is, however, desirable to make provisions for the prevention of unfair practices whenever they arise." The Travancore-Cochin Government said 'the enforcement at this juncture will prove a welcome step in the right direction'.

Some of the associations though not specifically asked to reply on this question have urged the need for enforcing the sections regarding unfair practices. The Indian National Trade Union Congress (Assam

Branch) said 'these amendments were made after carefully considering the working of the Act and should be put into force'. The Central Travancore Planters' Association also held the same view. On the basis of evidence received, we recommend that the existing Sections in the Trade Union Act relating to unfair practices should be enforced.

A proper procedure for calling a strike to be laid

34. A proper procedure regarding strikes was also necessary. The Indian Tea Association said in reply to the questionnaire :—

"The proper procedure for calling a strike should be laid down and a ballot of the workers taken before a strike is begun. As stated above, at present strikes generally do not originate with the workers but are called at the instance of outside leaders, frequently without adequate notice and without taking up the procedure of bipartite discussions and subsequently conciliation. Unions in the Tea industry have been slow to ask for negotiation because the State Governments have recognised them in practice and thus have made the employers do so without laying any corresponding obligations on the unions, such as formal recognition would entail, *e.g.*, giving notice of strikes and following a recognised procedure for bipartite discussion and conciliation before finally resorting to strike after a ballot."

Urgent action is indispensable to define an orderly procedure in regard to strikes. In this connection the Commission would draw the attention of the Government to the useful clause in the Trade Union Bill of 1950 providing for rules regarding strikes in the constitution of a trade union. The bill says that if a trade union is to be recognised by a Labour Court, the rules should provide :—

"for the procedure for declaring a strike and in particular provision is made that no strike shall be declared until the majority of the members of the Trade Union have by secret ballot held in such manner as may be prescribed, decided in favour of such a strike".

The Employment Standing Orders' Act, 1946

35. The proposed amendment (the Industrial Disputes Amendment and Miscellaneous Bill, 1955) would remove many of the existing defects in this Act. It provided that the workmen should be given 21 days' notice by the employer of his intention to introduce any change relating to wages, leave, job-classification, amenities, new rules of discipline, rationalisation leading to retrenchment and any increase or reduction in the number of persons employed. While this amendment recognised the need for consultation of labour on these matters, the convention should, however, be established that all standing orders should be by negotiation and not be changed by the certifying officer unless they became the subject-matter of a dispute by either party.

In the first instance the officer should not change the contents of the agreed orders but register them. If either party required change, they should first negotiate failing which alone the certifying officer should adjudicate about its fairness. The procedure outlined in the new bill is to be welcomed for giving an opportunity to labour in deciding about conditions of employment. But when once agreed to by both parties, implementation can only be with the management. And if any grievances existed in day-to-day implementation of the orders, there should be a definite procedure for hearing and resolving them by the management and the works' committee (*vide* annexure LXII).

Conclusions

36. To conclude, a great degree of tension existing today in the industry can be solved if in the working of trade unions a democratic procedure was followed and only a single union was permitted in an undertaking, outside leaders were given every encouragement to advise but not administer except in federations, wholetime trained secretaries were appointed for each primary union, elections to the executive were conducted when requested by a state agency, membership fee assured in respect of members, and funds put into an authorised account. Further, violations of agreements, illegal strikes and lockouts, and unfair practices on the part of both labour and employers should be punishable in law. A proper procedure for strikes should also be provided for.

CHAPTER IX

TRANSPORT, SUPPLIES AND SERVICES

Tea—modes of transport from N.E. India to Calcutta

1. As already mentioned, the three main tea growing regions in N.E. India are Assam Valley, Cachar and the Dooars. More than 90% of the produce from Assam Valley and Cachar is carried to Calcutta by river and the balance by rail and to a small extent by air. About 60% of the produce of the Dooars is carried to Calcutta by rail and the rest either by river or by the combined river-rail route via Dhubri and to a small extent by air. About 450 to 500 million lbs. of tea are transported to Calcutta every year by these routes. The rates quoted by Railways for movement by rail, by the Joint Steamer Companies for transport by river and by the Indian Air Lines Corporation for air lift of tea will be found in Annexure LXIII. Transport charges have also to be incurred for the carriage of tea to rail heads or steamer ghats by lorry or country boat. These charges vary from place to place.

Difficulties of transport by inland waterways

2. The supplies required to keep the industry working, such as coal, fertiliser, machinery, building materials and other articles required in the tea gardens, are also carried by the same modes of transport. Any interruption in these lines of communication is a serious matter not only for the Tea industry but for the economy of the whole region. The bulk of the river-borne tea is carried in steamers owned by two Non-Indian companies. After Dhubri in Assam, the rest of the river route from Assam Valley is largely through Pakistan. The river route from Cachar is also mostly through Pakistan territory. It was mentioned by the Indian Tea Association that after the earthquake of 1950 which caused changes in the river bed, there are certain areas of shifting sands in the Brahmaputra, which sometimes cause unexpected and abnormal delays in the navigable channels, thereby causing transit delays. We suggest that this may be investigated by the Central Water and Power Commission. Problems regarding freight rates charged by the private companies operating the river steamer services and conditions of booking and allied matters have already been investigated and reported on by Shri N. S. Lokur at the instance of the Ministry of Transport and we are not covering the same ground again.

Transport problems in Dooars

3. The main transport problem affecting the Tea industry in N.E. India occurs in the Dooars. The meter gauge railway line traversing this sub-mountain district from east to west serves not only this region but also provides the only rail link between Assam and the rest of India. The railway line runs across the numerous rivers which traverse this region from North to South. These rivers become torrential streams during the moonsoon causing flooding and extensive damage to bridges and railway lines and interrupting traffic for fairly long periods. This.

has been happening in successive years since the link was completed. These interruptions to traffic take place in the rainy season in which tea production reaches its peak and during which the storage of tea in the factories also causes difficulties because of the hygroscopic nature of the product. The producers' organisations whose members have tea gardens in this area and the Tea Board have stressed the urgent need for remedying this state of affairs. It has been suggested that the railway line should be re-sited or an alternative line should be constructed connecting Siliguri with Dhubri over terrain less liable to periodic damage by floods. We understand that an alternative alignment between Mal Junction and Binnaguri has already been surveyed and the work has been considered for inclusion in the Second Five-Year Plan. There have been occasions when owing to the disruption of railway communications in this area, the Dooars producers have been entirely dependent upon the river route between Calcutta and Dhubri and the limited and expensive air lift. Access even to Dhubri has been disrupted on occasions increasing the difficulties still further. In this connection the need for keeping the line connecting Dhubri with the Central Dooars secure from breaching, has been particularly stressed as this will keep the alternative river route to Calcutta open even when the rail route is disrupted. This deserves consideration by the railway authorities. On the great need for keeping the Assam link open throughout the year and increasing its capacity, there can be no difference of opinion. This is necessary not only for the Tea industry but also for the economic stability and security of the whole of North-East India.

4. The Dooars fall into three main areas, Western, Central and Eastern which are separated from each other by distance and by natural obstacles such as the river Dina and river Torsa. It has been urged that pending the improvement of the Assam rail link delivery points for coal should be arranged to each of these areas. It has been suggested that a dump should be provided with sidings at Mal and use of the line Lalmonirahat—Mainaguri Road—Mal, facilitated by provision of improved sidings and dumping areas at Mainaguri Road.

Supply of wagons insufficient—lack of covered accommodation at certain Railway Stations

5. A producers' organisation has mentioned that owing to irregular or insufficient supply of railway wagons, tea is often held up at the stations where there is no adequate covered accommodation to store the tea. The tea is thus exposed to damage by rain. The wagons are also sometimes leaky thereby causing damage to tea in wet weather. The requests from the industry are that at stations where there are bookings of tea, suitable covered accommodation should be provided to hold the tea awaiting despatch and that only leak proof wagons should be provided for the transport of tea. These requests are reasonable and we recommend that these facilities should be provided.

Excise clearance difficulties

6. Another difficulty mentioned was with regard to the timely clearance of tea from the estates by the Central Excise Authorities. The Excise authorities permit the clearance of tea from the factory only at

the time of despatch from the factory and gate passes are required for every truck load leaving the factory. It was mentioned that as the Railway allows only 6 hours for loading a wagon, gardens situated at a long distance from the railway stations have sometimes to miss a wagon because of their inability to get the excise formalities for clearance of tea from factories completed in time. The request made was that such gardens should be allowed the facility of having duty-paid godowns where teas can be stored after payment of excise duty and from which teas can be moved quickly to the rail head on receipt of information regarding the placement of wagons. We recommend that the Excise authorities should consider the possibility of allowing this.

Transport problems in Darjeeling

7. Tea gardens of Darjeeling have certain transport problems of their own. The general complaint of the tea gardens was that their garden transport vehicles were given licenses for plying only up to the nearest station on the hill railway or the nearest point on the main Darjeeling-Siliguri road where their teas had to be transhipped to the railway wagons or to public transport vehicles thus increasing transport costs. The same thing also applied to transport of tea garden stores to the estates. If they were given permits to ply their own vehicles on the main road down to Siliguri, there would be considerable saving in transport charges, and much inconvenience and delay would also be saved. It was urged that in a district like Darjeeling where the average yield per acre is low and costs of production consequently higher than in other regions, every facility must be given to the Tea industry to cut down costs so that its economic working may not be imperilled. We consider that there is great force in this contention and accordingly recommend that tea estates in the Darjeeling region may be granted permits for plying their vehicles on the Darjeeling-Siliguri Road for transport of tea and their stores.

Delays in grant of Road Permits

8. The gardens with ready access to the Teesta Valley road are given permits to ply their transport along the Teesta Valley road to Siliguri. Their complaint was that this road often gets blocked during the rains, when they have to send their transport via the Darjeeling-Siliguri road. For this, separate road permits have to be taken when necessary and the issue of the permits is often delayed. They urged that it would be helpful if their normal permits are endorsed to the effect that when the Teesta Valley road is blocked the vehicles concerned could ply along the Darjeeling-Siliguri road. It was also mentioned that when route permits are asked for, permanent permits are received only after a considerable lapse of time owing to procedural delays. Temporary permits are issued immediately, but the fees for temporary permits are much higher than for permanent permits. It was urged that if because of procedural reasons the issue of a permanent permit could not be expedited, it should at least be issued with retrospective effect from the date of issue of the temporary permit so that the financial burden caused by the difference in rates between the temporary and permanent permits may be avoided. These requests appear to

be reasonable and we recommend that they should be considered sympathetically by the State Road Transport Authorities.

Increase of the Permissible loads for tractors should be considered

9. Most of the gardens situated in this hill district are using jeeps for the transport of their teas and stores. The carrying capacity of these vehicles is limited. It was mentioned that tractors with trailers would be a more economical means of transport, but permits are given for tractors only for carrying 9 maunds which is not an economical load, the economical load for these vehicles being 30 maunds. Permits for tractors for carrying 30 maunds were, therefore, desired by the producers. We, therefore, recommend that the State Transport Authorities should consider the question whether, consistent with the safe carrying capacity of the roads and bridges in the district, it is not possible to increase the permissible loads for tractors carrying tea and tea garden stores.

Condition of roadways leading to Plantation areas in N. E. India

10. In the different areas of North-East India we also heard the complaint that the local board roads which serve the tea areas are in many cases in a deplorable state. Owing to inadequate maintenance the road surfaces are broken and full of pot-holes making transportation difficult and contributed greatly to the excessive wear and tear of transport vehicles thereby increasing costs. In many places the tea gardens near or through whose areas the local board roads pass have been made responsible for the maintenance of the roads, but the universal complaint was that the road maintenance grant paid by the local boards covered only a small part of the actual costs of maintenance. There is considerable room for improvement in the road communications in many parts of the tea districts and we suggest that the State Governments and local authorities should consider the possibilities of improving them.

Transport difficulties in South Indian Plantations

11. The difficulties of carrying stores to the gardens, the delays of bringing manufactured teas for sale to Calcutta, and the danger of periodic isolation owing to disruption of communications owing to floods, which face the Tea industry in N.E. India do not exist to the same extent in South India. There, the routes of communications from the tea gardens to Cochin and other main centres of sale are much shorter and less liable to disruption. The main difficulty regarding transport experienced by the South Indian Tea industry is with regard to shortage of wagons especially in the monsoon months. The request has been made by the industry that sufficient number of wagons should be made available so that tea may be transported without undue accumulation in the gardens. Figures have not been furnished to enable us to gauge the extent of the shortage complained of. The Railway authorities should consider the request and do what is possible in the matter.

Tea Garden Stores

12. Tea gardens need for their normal working a wide variety of materials such as building and fencing materials, spares for water supply

and electric installations, agricultural implements, fertilisers, insecticides and fungicides, spraying and dusting machines and their spare parts, engines, tea factory machinery, tools and spares, petrol and oil, coal, tea chests and other packing materials, food grains and medical supplies.

How the Tea Board assists gardens in getting stores requisites

13. The Tea Board assists the industry in the procurement, importation and movement of important items of stores such as coal, cement, iron and steel, fertilisers, tea chests, tea garden machinery and components, fuel oils, tea seeds, etc. In the case of materials like iron and steel, cement and fertilisers, the distribution of which is subject to Government control, the assistance rendered by the Tea Board takes the form of screening and co-ordinating the demands of the industry received through the important producers' organisations and individual gardens, securing quotas from the relevant authorities, and allocating the quotas to the consumers. In the case of articles to be imported, the assistance takes the form of scrutinising and recommending applications for import licenses to the authority concerned. In the case of despatch of tea seeds intended for planting, the Tea Board issues certificates so that advantage may be taken of the concessional rates offered by railways for the carriage of seeds intended for agricultural purposes.

Difficulties in obtaining regular supplies

14. As far as North East India is concerned, a grave difficulty which stands in the way of the smooth flow of essential supplies to tea gardens is caused by difficulties of transport which we have reviewed in earlier paragraphs.

15. Regarding some of the controlled items like steel and cement the main complaint from the industry is that the quantities required by the tea gardens for their maintenance and development are not made available in full, with the result that building programmes are restricted and consequently difficulty is experienced in implementing some of the provisions of the Plantation Labour Act. In the case of cement an additional difficulty experienced by the gardens in N.E. India is that owing to scarcity of cement manufactured in North India which is cheaper in this region, costing about Rs. 90 per ton, they have to purchase South Indian Cement which is more expensive costing about Rs. 140 per ton. The reason for this is that owing to the big projects in the public sector in Bengal, Bihar and Orissa there is not at present sufficient locally manufactured cement to meet all the requirements of the Tea industry in the region. The difficulties which are no doubt real appear to be inherent in a situation where there is a shortage of essential materials.

Creation of a Co-operative Organisation for supply of Stores recommended—Tea Board also to help

16. A large portion of the Indian section of the Tea industry is not satisfactorily served by existing agencies in the matter of supplies of stores. The regional planters' associations generally help their member growers in regard to the procurement of controlled articles. But

for other supplies, growers have to make their own arrangements. We suggest that the Tea Board should help them in securing these at competitive prices and of good quality. The Tea Board should also promote establishment of co-operative organisation for supplying these stores. When co-operatives are thus set up and when Tea Board helps in the matter of supplies, the companies should take their requirements through them. The Board could also help planters through its supply section in the matter of the best possible utilisation of loans which the State Bank of India or the State Finance Corporations may sanction in future for purchase of machinery, building materials, fertilisers and other articles of stores.

Fertilisers to be distributed through these co-operatives

17. At present the margin of profit granted by the central fertiliser pool between the supply price for manure of Rs. 345 per ton and the rail head price of Rs. 315 is substantial. It goes to the distributing firms. The proposed supply co-operatives will be greatly strengthened if the central fertiliser pool will sell its fertilisers only through these proposed co-operatives. We, therefore, recommend that the pool should distribute only to these co-operatives for supply to the Tea industry. When the co-operatives got strengthened in this way they could arrange to procure all supplies at very competitive prices.

Manure mixing to be done by Co-operatives

18. The Co-operatives could also supply manure mixtures. At present manure mixtures are supplied by manure mixing firms. There seems to be no control over the quality of the manures supplied. Control over quality is necessary. For achieving this, the State Governments should take powers to control quality of manures. When complaints about the quality of manure mixtures are received by the Tea Board, the latter should take it up with the authorities in the States.

A suggestion for a co-operative organisation for Insurance

19. Another matter in which Indian producers would do well to combine through a co-operative organisation is in effecting insurances of their plant, Buildings and other effects, tea in transit etc. Figures collected in the course of the cost of production enquiry revealed that stock and transit insurance amounted to 0·75 of a rupee per 100 lbs. in Indian Public Limited companies and Rs. 1·66 per hundred lbs. in Non-Indian companies i.e. 1·44 pies per lb. and 3·26 pies per lb. respectively. A study of the amounts paid by Non-Indian Tea companies in Assam for insurance of all kinds shows that it amounts to 4·88 pies per lb. The corresponding figures for Indian companies in Assam, Dooars and Darjeeling are 1·91, 2·01 & 2·32 pies respectively. The expenditure under insurance incurred by Indian companies may, therefore, be roughly taken as 1 pice per lb. ($\frac{1}{4}$ anna). The total area of estates over 300 acres under Indian ownership has been approximately worked out to be 1·79 lakhs acres. This may be taken to represent a total production of 125 million lbs. At the rate of $\frac{1}{4}$ anna per lb. the annual insurance premia realised would be about Rs. 20 lakhs. The possibilities of a co-operative insurance company to serve

the Indian section of the industry thus appear to be very good and we consider that it is a proposition worthy of serious consideration by Indian producers. Such an organisation once started may also provide hail and marine insurance. The benefits of lower insurance charges possible under such a co-operative scheme would also go towards reducing costs to some extent.

Import restrictions

20. A section of the industry has mentioned about the difficulties caused by restrictions on the import of certain types of engines, tea garden machinery and equipment. In the matter of imports, the general policy followed by Government is to restrict imports in cases where articles of indigenous manufacture are available in adequate quantities and of suitable quality. This is necessary for the purpose of conserving foreign exchange and for encouraging the development of industries within the country. The substance of the complaint in this respect from the tea producers was that some of the articles, the import of which was restricted on the ground that articles of indigenous manufacture are available, do not come up to the standard of imported articles and are, therefore, less satisfactory in use. Import control is a matter subjected to continuous scrutiny by Government in the light of the prevailing circumstances and no change of policy is called for in this regard. However, we consider that action should be taken by Government so that the quality of indigenous supplies of small tools and implements, pruning knives and pruning saws, wire nettings, aluminium linings of tea chests and wire fencing material is improved.

It was also brought to our notice that grub hoes which are available in India, are being imported as hardware or agricultural implements because of a possible lacuna in the I.T.C. Schedule. We suggest that this matter should receive Government's attention.

Procedural delays and formalities have a cumulative effect on Productivity

21. It has been represented to us that inordinate delays frequently occurred in the matter of obtaining licenses for imports of essential machines and spare parts and other controlled items of garden stores. In addition, the innumerable forms to be filled up, and registers to be maintained as required by excise and other departments of Government were, it was said, proving to be costly for many estates, especially the smaller holders. We suggest that the Government departments concerned may examine whether simplification of the forms and procedures could not be effected. It is to be observed that many of the complaints regarding procedural delays and lack of co-operation and imagination on the part of Government authorities may appear to be trifling but cumulatively they have the effect of hindering the smooth working of the industries and to that extent acting as a brake on productivity.

Purchases should be made by calling for open tenders

22. Many Employees' Organisation and others represented to us that the system of making purchases of stores etc. either by private contract or through managing agents resulted in wasteful expenditure

and favouritism and other abuses. We recommend that tea companies should adopt the healthy practice of purchasing all stores by calling for competitive tenders from suppliers.

The problem of coal supplies in Assam

23. As regards coal the tea gardens in Assam are obliged to take their requirements from collieries in Assam, many of which are surface mines producing only powdery coal. This is said to be quite unsuitable for use in tea dryer stoves and boilers. The gardens, therefore, prefer lumpy coal from the West Bengal and Bihar collieries in spite of the higher freight charges. While some of the coal from the Assam mines is suitable for tea garden use and acceptable to the gardens, they are compelled to take a large percentage of the dust coal which they find difficult to use. The Tea Board has stated that if the supply of 'A' grade coal cannot be restored, steps should be taken to ensure that the quality supplied to the Tea industry is not below 'B' grade. In view of the difficulty of using powdery coal for tea manufacture, we agree that, as suggested by the Tea Board, it is necessary to ensure that the quality of coal supplied to tea gardens is not below 'B' grade.

CHAPTER X

FINANCE

Like other concerns in the private sector joint stock tea companies were set up with the aid of share capital, and proprietary estates with the aid of money invested by the proprietors. Since the establishment of the industry over a hundred years ago, development of various units has taken place to a considerable extent by ploughing back part of the profits into the industry. The developments in the capital structure of the industry have been dealt with already in chapter IV. In this chapter we shall discuss problems connected with the financial requirements of the established units in the Tea industry.

Financial needs of tea plantations industry—short term

2. As in the case of other industries, the financial needs of established tea estates fall under two main heads, namely short term and long term. Short term or seasonal finance is needed for meeting working costs of the estate and factory for production of tea and its marketing and till the sale proceeds are received. Long term finance is needed for expenditure of a capital nature such as extensive replanning, extension of cultivation, improvement of factory and machinery, construction of labour quarters, hospitals and other amenities required to be provided by the estates. The sources from which funds are found by managements for these purposes are their own resources like reserves built up of retained profits, advances or loans from Managing Agents, Commercial Banks, Brokers and others. In the matter of funds used as working capital to meet the seasonal expenses of production and marketing till the sale proceeds are received by the producers, replies to our questionnaires were received for the years 1951, 1952 and 1953 from 250 Companies and Proprietors covering an acreage of 3,91,350 acres in North India and 37 Companies and Proprietors covering 68,950 acres from South India. Replies from a few more companies were received but as they were incomplete, their figures have not been included in the analysis. The replies are tabulated in Table XLI.

TABLE XL

Table showing working capital employed by 250 tea companies in North India and 37 Companies in South India in each of the years 1951, 1952 and 1953.

(Figures in col. 2 in million Lbs.)
(Figures in cols. 3 to 7 in crores of Rs.)

A. (NORTH INDIA)

Year	Production	Working Capital employed					Percentage of					
		Loans		Own		Total	Working Capital per lb. (in Rs.)					
		From		Resources								
		Managing Agents	Banks	Others								
I	2	3	4	5	6	7	8	9	10	11	12	
1951	.	4.47	10.67	..	35.35	50.49	1.6	8.9	21.1	..	70.0	
1952	.	6.80	18.44	0.01	27.88	53.13	1.6	12.8	34.7	.03	52.5	
1953	.	5.11	14.95	.007	27.86	47.927	1.5	10.7	31.2	.01	58.1	
Average	.	5.45	14.69	.007	30.37	50.517	1.6	10.8	29.0	.01	60.2	

(Figures in col. 2 in million Lbs.)
(Figures in cols. 3 to 7 in crores of Rs.)

B. (SOUTH INDIA)

Year	Working Capital employed						Working Capital per lb. (in Rs.)	Percentage of					
	Production	Loans		From Managing Agents	Banks	Others		Own Resources	Total	3 to 7	4 to 7	5 to 7	6 to 7
I	2	3	4	5	6	7	8	9	10	11	12		
1951	.	55.0	0.06	0.59	..	4.06	4.71	.86	1.3	12.6	..	85.1	
1952	.	53.2	0.12	0.59	0.07	4.19	4.97	.93	2.40	11.9	1.4	84.3	
1953	.	55.6	0.09	0.99	0.03	4.23	5.34	.96	1.7	18.5	.6	79.3	
Average	.	54.6	0.09	0.72	0.03	4.16	5.00	.92	1.8	14.5	.6	83.2	

SOURCE.—Returns of estates.

Figures of working capital of these companies classified according to types of management will be found in Annexure LXIV.

Short term needs of the units analysed—In the North

3. These figures can be taken to be illustrative of the working capital of company managed and the larger proprietary concerns in the country. (The small holders stand on a different footing. Their financial problems are similar to those of small agricultural producers in the country and will need similar forms of treatment. They are dealt with in the chapter dealing with the problems of small holders.) It will be seen from Table XLI that the working capital requirements of the 250 North Indian units which furnished particulars, averaged Rs. 50·52 crores during 3 years ending 1953, of which Rs. 5·45 crores represented advances from managing agents and Rs. 14·7 crores loans from banks, loans from other sources being negligible. Expenditure financed by advances and loans thus amounted to 39·8% of the total reported working expenditure, the larger part of the expenditure being met from the resources of the units themselves. While this is the position when all the units comprised in the 250 companies are considered together, the position varies as between different types of ownership. The Indian owned and managed companies depend more heavily on bank finance for their working capital than the others. In their case during the three years included in the Table the percentage of bank loans to their total working expenditure amounted to 65%. This may be attributable to the slump in 1952. On the other hand the proportion of working expenditure met from advances by managing agents was highest amongst Rupee companies managed by Non-Indian managing agents, the proportion of the advances to total working expenditure averaging to 37% during the three years under consideration.

In the South

4. The particulars of the South Indian companies shown in Table LXI indicate a different trend. The most striking feature is that by and large the amount of working capital needed with reference to total production is less in South India than in the case of North Indian producers. This is because South Indian production compared to North Indian is practically continuous and not seasonal; there is always some tea to be sold each month, the sale proceeds of which keep the producer in funds to a certain extent. In North India there is no production from the month of January to April though working expenditure has to be incurred during these months also. It has been variously estimated that garden expenses for about 3 to 4 months would be the working capital required for a South Indian tea estate as against about 75% of the total annual revenue expenditure for a North Indian garden. The actual needs will naturally vary from company to company. As the amount of working capital needed to work South Indian estates is relatively smaller than the amount required to work the North Indian gardens, it is possible for them to work with a relatively smaller proportion of borrowed funds. The proportion of borrowed funds to total working capital for the South Indian units for the three years under consideration amounted to 16·9% as compared to 39·8% in the case of the North Indian units.

Total working capital requirements

5. As the replies received were incomplete it has not been possible to ascertain the total annual working capital requirements of the Tea growing industry in the country. Taking the figures furnished by the reporting companies as illustrative, the yearly average of the working capital requirements for three years ending 1953 for North India works out to Rs. 1,290 per acre of tea and for South India Rs. 727 per acre. If the above figures are applied regionally to the entire industry, the total working capital requirements will be of the order of Rs. 90 crores. The working capital per acre so far as the Indian section of the industry alone is concerned, works out to Rs. 965.9 in North India and Rs. 773.6 in South India. The total acreage in North India in the hands of the Indian section has been estimated to be 2,02,704 and in South India 41,885 acres. The working capital requirement of the Indian section, therefore, works out to about Rs. 22.8 crores.

Sources of short-term finance—commercial banks

6. Apart from their own resources like reserves and advances by managing agents, the external sources of finance on which the companies and other larger producers depend are the commercial banks and brokers. Loans from banks for financing tea growing are obtained mainly by the hypothecation of crops. Figures are available regarding loans obtained from banks. Table XLII and XLIII give a consolidated statement of loans sanctioned by commercial banks on the hypothecation of tea crops during the years 1951-52, 1952-53 and 1953-54 and details of loans granted by the Indian and Non-Indian banks to Rupee companies and others according to size of estates and also the amount realised by the sale of teas so hypothecated.

TABLE XLII

Table showing loans advanced by Commercial Banks for the tea hypothecated to them by tea producers during 1951-52 to 1953-54.

(Figures in col. 3 in thousands of Rs.)

Season	Total advances to Producers and number of producers taking loans		Rate of Interest	Rate of Commission on sales of Tea
	No.	Amount		
1	2	3	4	5
1951-52	352	34,38,80	4% to 6½ %	Nil to 1%
1952-53	366	36,76,96	4% to 9 %	½% to 1%
1953-54	371	39,30,59	4% to 6 ½%	½% to 1%

SOURCE.—Reserve Bank.

TABLE XLIII

Table showing the break-up as between Indian and Non-Indian banks of the figures of short-term advances to tea producers against the tea hypothecated.

(in thousands of Rs.)														
Seasons		Amount advanced and number of producers to whom advanced						Amounts realised by sale of tea hypothecated by the producers to whom advances were made				Rates of interest & commission (if any) charged		
		Below 100 acres*		100 acres & above		Total		Below 100 acres		100 acres & above		Total		
		No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	
<i>Indian Banks—</i>														
1951-52		..	..	164	7,92.32	164	7,92.32	..	..	163	8,38.60	163	8,38.60	4% to 6½% Nil to 1%
1952-53		..	..	161	7,13.11	161	7,13.11	..	..	160	7,74.30	160	7,74.30	4% to 9% ½% to 1%
1953-54		..	..	152	6,23.47	152	6,23.47	..	..	151	11,75.54	151	11,75.54	4% to 6½% ½% to 1%
<i>Non-Indian Banks—</i>														
Advance to Indian Producers.		2	4.39	82	7,93.26	84	7,97.65	2	4.12	82	7,50.82	84	7,54.94	.. ..
1952-53		3	4.66	92	6,35.94	95	6,40.62	3	4.22	92	6,82.51	95	6,86.73	.. ..
1953-54		3	1.75	82	6,73.06	85	6,74.31	3	3.99	82	8,98.42	85	9,01.51	.. ..
Advance to Non-Indian Producers.		..	..	104	19,38.83	104	19,38.83	..	..	104	31,70.43	104	31,78.43	.. ..
1952-53		..	..	110	23,18.23	110	23,18.23	..	..	110	36,86.04	110	36,86.04	.. ..
1953-54		..	..	134	26,27.31	134	26,27.31	..	..	134	55,46.27	134	55,46.27	.. ..

Note.—The Nature of account is Cash Credit Overdrafts Loans. Figures cover 9 Banks.

*No amounts were advanced to producers having holdings below 25 acres.

Source.—Reserve Bank.

It will be observed that during these 3 years the total bank advances to the Tea industry averaged Rs. 36.82 crores per year.

Tea brokers

7. Another source of finance for the tea growers are the big Tea Broking houses. Till the year 1954 the Rules of the Calcutta Tea Traders' Association did not allow the brokers to advance money directly to the producers, but they were permitted to do so through their agents. Since the year 1954 they have been permitted by the Rules of the Association to lend money directly to producers. Brokers' advances are chiefly confined to short term loans on the hypothecation of crops, or against individual invoices and railway receipts. The tea is sold by the same brokers and the advance is adjusted when the sale proceeds are received. Sometimes brokers also guarantee bank loans advanced to brokers' clients without charge. The Table below shows the total amounts advanced by the four British Broking Houses in Calcutta and one in Cochin to tea producers during the years 1951-52, 1952-53 and 1953-54. In Annexure LXV are given these particulars in a more detailed form.

TABLE XLIV

Table showing amounts of loans advanced to producers of tea by 4 Non-Indian Tea Broking firms either directly or through their agents at Calcutta and Cochin.

(Figures in col. 3 in thousands of Rs.)

Season	Amount advanced as loans and number of producers taking loans		Interest charges	Commission
	Number	Amount		
1	2	3	4	5
1951-52	89	1,72,04	Ranging from 4 to 5 %	Nil.
1952-53	95	1,82,72	1 to 1½ %	Nil.
1953-54	119	2,32,15	over bank rate	Nil.

SOURCE.—Returns received from Tea Broking Firms.

The amounts though much smaller than those advanced by the banks are not inconsiderable.

8. Some of the Indian tea companies and many proprietors also take loans from money lenders for financing production, but it has not been possible to secure information regarding the size of this type of loan.

Interest rates for short-term loans

9. The rates of interest charged by the commercial banks range between 4% to 9% but most of them charge at rates between 4% and 6%. Some of the Indian banks charge a commission of $\frac{1}{2}$ to 1% on sales also. The brokers charge interest at 4 to 5%. They charge a lower rate of interest as their lending operations are mainly intended for attracting business which fetched substantial earnings as commission.

10. When loans* are received from banks the security offered is usually hypothecation of the crops, but in the case of many gardens this is required to be supported by deposit of title deeds of tea garden property including land, machinery and buildings as collateral security. We have been told that the banks generally ask for information regarding estimate of costs, size of crop and expected sale proceeds for the season together with details of actual costs and proceeds in the previous year before they fix the limits of the amount of advances. When the tea is despatched for auction to Calcutta, the invoices and documents are sent through the bankers, who pass them on to the brokers concerned. The brokers after sale of the tea, credit the net sale proceeds to gardens account with the bank. The advances made by the bank to the garden are adjusted and the balances held to the credit of the gardens are disposed of according to their instructions. Urgency, adequacy and availability of crop finance for every agricultural producer emphasised in the Report of the Committee of the All India Rural Credit Survey have all equal application to the Tea industry.

Short-term finance—Indian sector's difficulties

11. It was represented to us that in the matter of securing bank finance, a section of the Indian owned gardens is at a disadvantage compared to the others. As already mentioned, Indian banks who give them credit, charge rates of interests ranging from 5 to 9% and some of them also charge a commission of $\frac{1}{2}$ to 1% on the gross sale proceeds. Complaints have been voiced against the levy of commission on the gross sale value which in effect acts as an addition to the interest charged thus making it as high as 10% or even higher. A deposit of title deeds is almost always required from them and sometimes the banks also require in addition a guarantee from a person or firm approved by the bank. The guarantor has to be paid a commission. The interest rate in certain banks for current finance is high. The large Agency House gardens are, however, able to get credit from the Exchange banks at cheaper rates (about 4 to 5%) without the other obligations mentioned. We consider that the levy by some of the banks of a charge on gross sale proceeds in addition to interest is unjustified

NOTE.—*Financial accommodation for meeting the working capital requirements of the tea planting companies is arranged by the management of the companies with banks, which is generally in the form of over draft or cash credit or loans including fixed loans. Sterling tea companies in the Calcutta area are granted by the Reserve Bank general permits to receive seasonal remittance from the U. K. for financing their working expenditure in India and after the sale of the produce another permit is issued to each company to enable it to remit funds to the U. K. principals to the extent of the remittance previously received. Similarly Sterling tea estates in South India are granted round sum remittance permits for sending to their U. K. principals funds to the extent previously received as advances towards meeting working expenses.

and accordingly recommend that the Reserve Bank may use their good offices with the banks and where necessary use their legal powers under section 21(2) of the *Banking Companies Act* so that the levy is discontinued. We also found that the Co-operative Apex Bank in one State charged 7½% on its loans to the Co-operative Association of tea growers and growers who took loans had to pay the interest and besides 1% commission also on the value of tea sold. The commission would recommend that the Reserve Bank should put an end to these unfair practices where they exist.

Our Recommendations for increased facilities for Indian growers

12. From an examination of the evidence received by us we find that obtaining funds for ordinary seasonal working expenditure is not a difficult problem for the Non-Indian section of the industry or for the few bigger Indian companies in normal times. They are able to find requisite finance from their own resources and from Agency Houses, Commercial Banks and others. But many of the Indian companies and tea garden proprietors experience difficulty in securing adequate seasonal finance on terms which can be considered reasonable. The fact that a large number of Indian companies use their reserves for current finance itself shows the inadequacy of the latter for them. Also it was brought to our notice that it was one of the conditions of advances of some banks and brokers, namely that borrowers should not claim a statutory rate of interest provided by any State laws. Such unfair practices should cease. For the stability of these units of production it is necessary to secure for them also seasonal finance on reasonable terms. The Rupee companies in this industry were dependent on Non-Indian banks to the extent of Rs. 6.74 crores of short-term advance for 1953-54. Indian banks (who it is assumed financed Indian producers only) lent in 1953-54 Rs. 6.28 crores, some of them at excessive rates of interest in addition to taking a commission of ½ to 1% on produce sold. The commission charged by guarantors of loans is unduly burdensome. The 4 non-Indian brokers advanced Rs. 2.32 crores which was one of the means by which their own broking business could be increased. The financial difficulties of the Indian section of the industry can only be removed by the State Bank providing finance in an abundant measure to the Indian producer. We, therefore, recommend that in its programme of extension of branches the State Bank of India should give a high priority to the opening of branches in tea plantation areas. We also recommend that these branches of the State Bank should be responsive to the needs of the tea companies and proprietors, and we expect that with the opening of the new branches of the State Bank in the rural areas of the plantation States and with the consequent development of more abundant credit facilities under State Bank auspices, the difficulties of the smaller companies in getting seasonal loans on reasonable terms will largely disappear. When once short term finance is available from the State Bank, the industry will not have to draw on its reserves for working capital and consequently they will be available for meeting the long term capital needs like replanting and replacements of machinery and plant.

Financial problems of small growers—their remedies

13. The small holders like those in the Kangra Valley and the Nilgiris, however, stand on a different footing. Their credit and marketing problems are similar to those of small agricultural producers and for them remedies will have to be applied on the lines suggested in the Rural Credit Survey Committee's Report. We have dealt with this problem elsewhere.

Problems of long term finance for the Industry—assessment of future needs

14. It is in respect of getting long term loans for capital expenditure that great difficulty is being experienced by certain sections of the industry, mostly under Indian ownership. In our questionnaire, we had endeavoured to get information regarding the present needs of the tea estates for funds for the improvement or renovation of their permanent assets such as land including planted area, buildings, machinery and other assets, to continue the working of the estates on sound lines. The needs were required to be estimated with reference to any plans or proposals which their management may have drawn up. The replies to the relevant questions received from 346 companies covering an acreage of 5,12,735 are analysed in Annexure LXVI. Of these as many as 170 companies covering an acreage of 3,03,519 stated that they did not require any external funds to meet the capital expenditure they had in view. They, however, furnished no figures regarding the capital expenditure they had programmed. 54 Companies with an acreage of 63,932 estimated that their contemplated capital expenditure would amount to Rs. 3.63 crores and they expected to find this amount from their own resources. The estimates of another 122 companies with an acreage of 1,45,280 which mentioned that they expected to find funds for their proposed capital expenditure partly from their own resources and partly from external sources, amounted to Rs. 7.49 crores. They, however, gave no indication regarding the amounts they expected to find from their own resources and the amounts which they will need to raise outside. Thus the estimated requirements of 176 companies covering an extent of 2,09,212 acres, amounted to Rs. 11.12 crores or Rs. 532 per acre to be spent during the next 5 years. •

Needs of companies in Indian sector greater

15. A study of the figures in Annexure LXVI will show that of the companies which replied to the relevant question, the companies in the Indian owned sector were in much greater need of external funds for their capital expenditure than Non-Indian companies. 85.4% of the companies in the Non-Indian sector which replied, did not need external funds. The corresponding figures for the companies of the Indian sector which replied is 28.5%. Out of Rs. 7.49 crores required by 132 companies with an acreage of 1,45,280 (to be financed partly from their own resources and partly from external sources) as much as Rs. 6.27 crores (or 84%) was required by companies in the Indian sector with an acreage of 53,579. This works out to a figure of Rs. 1,171 per acre for the estates in the Indian sector in this group as against Rs. 131 per acre for the estates in the Non-Indian sector.

Limitations of the enquiry

16. In assessing these figures the following factors have to be borne in mind. The figures furnished are in most cases only rough estimates. Any question asking for a reply about financial needs from those who needed it suffered from the limitation that such replies could not avoid personal equations in estimations. They have not been subject to any detailed verification. Along with sums required for rehabilitation of plant machinery and other fixed assets, in many cases amounts are also included for the provision of labour housing and hospitals which are amongst items of labour welfare covered by the Plantation Labour Act. The rules laying down standards under that Act had not yet been finalised when the replies to the questionnaires were furnished and the estimates are consequently rough estimates. The particulars are given in Annexure LXVI.

Agencies for providing long-term finance—State Finance Corporations

17. The industry as a whole does not have plans for any appreciable additional expansion of tea area in the near future, and the prevailing impression seems to be that it should rather concentrate upon the maintenance, rehabilitation and improvement of existing gardens. Views were expressed that if attempts were made to raise additional capital from outside the industry for expansion of capacity, it will be difficult to get adequate response from the capital market. In any case the finance needed by the industry for its normal capital expenditure to maintain and improve existing assets, apart from any large scale expansion, must come largely from its own savings and for the companies having inadequate reserves, the prudent policy to follow is to build up adequate reserves by resorting to a policy of restraint in the matter of distributing their profits. At the same time we recognise that even with prudent financial management many Indian companies and proprietary companies will still find it necessary to borrow funds for capital expenditure, particularly for replanting and purchase of machinery, so as to increase their productivity to more economic levels and for this necessary facilities should be available. We recommend that the Industrial Finance Corporation and State Finance Corporations of the States in which tea gardens are situated, should meet this need. There are State Finance Corporations now working in Assam, West Bengal, Travancore-Cochin, East Punjab and U.P. and in Madras there is the Madras Industrial Investment Corporation. Tripura is a State with many small companies which are in need of medium and long term loans for improvement and expansion. It has no State Finance Corporation of its own and the State is too small to have one for itself. We recommend that the facilities of the State Finance Corporation of a neighbouring State, either Assam or West Bengal should be extended to Tripura by necessary amendment of the relevant Act and rules. The Committee of Finance for the private sector appointed by the Reserve Bank, which reported in 1954, had recommended that the State Finance Corporations Act, 1951, should be amended in a manner that will permit joint working of a Finance Corporation in two or more adjoining States. (Page 86

para., 185 of the Report). A large number of Indian companies expressed various difficulties in getting loans from State Finance Corporations and suggested that the Tea Board might stand guarantee for the loans. Some even proposed an independent Finance Corporation. No State Finance Corporation has so far advanced any loans to tea plantations. Some of them had doubts as to whether tea plantations, a large part of whose operations were of an agricultural nature, could be considered as industrial concerns eligible to receive loans from the Industrial Finance Corporation of India and the State Finance Corporations. We understand that the doubts have since been cleared and it is now accepted by these corporations that loans could be granted to tea estates having factories as for other industrial concerns regardless of the relative importance of their agricultural and industrial operations.

State Finance Corporations should also provide finance for relieving estates from indebtedness

18. The State Finance Corporations will have also to provide finance for repayment of past debts in suitable cases. Future financing will be thwarted so long as old debts remained. The report of the Cachar Plantation Inquiry Committee and the report and recommendations of the Special Officer appointed for the survey of marginal tea gardens in Cachar and Tripura made special mention of gardens which cannot be helped until the first mortgage was redeemed and other liabilities were closed. Such indebted estates also existed in Dooars, Darjeeling and parts of Assam. Indian concerns already encumbered for purchase of gardens were in difficulties. While there could be no relief to estates heavily indebted, it should be possible to redeem those having potential repaying capacity by arranging for sale of a portion, adjusting the loans to actual sum of debt and a fair rate of interest, granting instalments of repayments and repaying the creditors. Such cases would need study by the Tea Board. The State Governments should apply the provisions of Debt Relief Acts and re-adjust the loans to a repayable figure. The State Finance Corporation should provide long term finance in the case of estates which would work successfully with a redemption of their debts. If a sympathetic policy is followed by the Finance Corporations, the financial needs of the smaller tea companies for medium and long term loans for productive purposes will be largely met.

Co-ordination between State Bank and State Finance Corporations necessary

19. We had observed earlier that in the case of many of the smaller Indian owned gardens, the commercial banks advancing them loans on the hypothecation of crops to meet their working expenditure often require that their title deeds to tea garden property should also be deposited as collateral security. It was pointed out to us that this practice is a serious hindrance in the way of the gardens raising long term loans when they require them. Finance Corporations or other institutions lending money on long term to industrial concerns usually do so

on the security of the fixed assets of the concerns. If their title deeds to property are already pledged with banks who lend them money for the seasonal working of their estates, it will naturally not be possible for them to raise any long term loans on the security of the title deeds. It should, however, be possible for the State Finance Corporations and the branches of the State Bank in planting areas to work out a suitable procedure which will avoid the difficulty pointed out. We recommend that it should be done at an early date.

20. The State Finance Corporations when considering applications for loans from tea gardens will no doubt need the services of experts for the scrutiny of technical aspects of the applications. For this purpose we suggest that they in consultation with the Tea Board should appoint a panel of experts of standing with specialised knowledge of tea production. The experts may be persons drawn from the industry or from the expert staff of the Tea Board. Suitable co-ordination should be established between the neighbouring State Finance Corporations so that a common policy may be followed by them in the matter of the grant of loans. For example, the State Finance Corporations of Assam and West Bengal may follow similar policies and co-ordination among them may be brought about by the panel of experts of the Tea Board, which panel can be made a common one for both the Corporations. The Tea Board should have a Plantation Finance Committee which should keep a close watch on the financial needs of the Tea industry and it should discuss the financial requirements of the Tea industry, not only with the State Bank of India and the State Finance Corporations and Co-operative Banks but also with Commercial Banks, Foreign Exchange Banks and other financing institutions. If this committee finds that as a result of experience of the working of the Finance Corporations and institutions they are not in a position to meet the long-term needs of the Tea industry, it may make necessary recommendations for the establishment of a new Financial institution under the auspices of the Tea Board itself.

Position of export finance

21. So far as exports of tea are concerned, we find that it is being financed largely by Foreign Exchange banks. From an analysis made by the Reserve Bank it is seen that Indian firms exported in 1951 tea valued at Rs. 10,36.8 lakhs. 8.8% of this amount was handled by Indian authorised dealers of foreign exchange and 91.2% by Non-Indian exchange dealers. From out of 91.2%, 80.3% was handled by U.K. dealers. Non-Indian export firms used Indian foreign exchange dealers for 4.1% of their exports and U.K. foreign exchange dealers for the balance. Out of an export valued at Rs. 70.73 lakhs, the share of Indian firms was 16.9% and Non-Indian firms' 83.1%. Indian firms sent tea worth Rs. 9.45 lakhs through Non-Indian authorised dealers. In recent years some Indian banks have also taken up the business of financing tea shipments. The State Bank of India is also performing this function and it is expected that in the years to come they will take a more prominent part in financing tea shipments.

CHAPTER XI

MARKETING OF TEA—PRIMARY SALES

Tea sales—Auctions

1. There are two well defined stages in the marketing of tea—primary and retail. The first or primary stage relates to the sale of tea on a wholesale basis by the producers to buyers at well organised auctions. The two auction centres in India are at Calcutta and Cochin. The Calcutta auctions have been in existence from 1861 and the Cochin auctions from 1947. A good proportion of the tea grown in India is also shipped directly to the United Kingdom to be sold through the London auctions; a certain proportion goes abroad as the result of direct sales by negotiation or forward contracts. There is also a certain amount of sale directly from the tea factories for consumption within the country. As far as we have been able to gather from the evidence we have obtained and the discussions we have had with the interests concerned, the producers choose their method of disposal mainly on economic considerations. They choose the method which is most convenient to them and which they think will give them the best return in the circumstances in which they have to operate. The gardens managed by the Non-Indian agency houses which have better contacts and greater knowledge of the London Market send more of their teas to the London auctions than the Indian owned gardens. The type of tea best suited for the requirements of a particular market is an important consideration. For example, the sale of Dust tea is largely confined to the Indian market because the demand for it is largest here. Similarly, certain specialised types having a good market in the Middle-eastern countries are offered at the Calcutta auctions where there are buyers for these types. The so called “Tippy grades” for which there is great demand in Iran and which are, therefore, offered in the Calcutta auctions, is an instance in point, though complaints have been heard that this grade is sometimes diverted to U.K.

2. The bulk purchase of tea by the U.K. Government from the producing countries which was introduced during the war came to an end in April 1951 and the tea auctions in London were re-opened at the same time. With the stoppage of bulk buying by the British Government and the re-opening of the London auctions the old pattern of trade returned. Table below indicates the total production of tea in North India and South India and the quantities sold in the respective auctions in Calcutta, Cochin and London in the year 1954.

TABLE XLV

Table showing region-wise, production of tea in India, quantities sold by private sales and forward contracts and at the auctions in 1954.

(in thousand lbs.)

Production		Sales	
		1. By AUCTION.	
		(A) <i>London</i> .—	
North India	515,600	North India	164,659
South India	123,500	South India	24,564
		Total	189,223
		(B) <i>Calcutta</i> .— (a)	
		With Export Rights	166,086
		Without Export Rights	108,848
		Total	274,934
		(C) <i>Cochin</i> .—	
		With Export Rights	22,139
		Without Export Rights	7,090
		Total	29,238
		Grand Total	493,395
2. BY PRIVATE SALES* AND FORWARD CONTRACTS.			
		North India	18,813
		South India	17,436
		Total	36,249
Total	644,100	Total of 1 & 2	529,644

NOTE.—Figures given are in respect of actual production in the year and actual disposal which includes tea of the previous season. The difference between production and sale represents stocks undisposed of.

(a) Year beginning 1st April, 1954 to 31st March, 1955.

SOURCE.—Bulletin of Statistics of the International Tea Committee June, 1955.

*SOURCE :—Tea Board.

In Annexure LXVII are given figures of the quantities sold at these auctions since 1951, the year in which the London auctions were re-opened. Annexure LXVIII shows the quantities shipped to London for sale otherwise than through auctions in the last 4 years.

It will be seen that in 1954, 52·3% of the North Indian production was sold through the Calcutta auctions and 22·6% of South Indian production through Cochin auctions*. The quantity exported by negotiation and forward contracts works out to 5·6% of the total production†. Table XLVI summarises grade-wise the disposal of the teas during the year 1953. Annexure LXIX summarises region-wise, and according to different types of ownership, the production and the method of disposal of the different grades of tea produced by the estates from whom proper returns were received.

Tea—how moved to auction centre?

3. We shall now consider briefly the mechanism of primary marketing of tea in India. Apart from the small quantities of tea sold by the gardens locally, the bulk of the North-East Indian tea crop comprising the production of Assam, Cachar, Tripura, the Dooars and Terai and Darjeeling comes down to Calcutta by river, rail or to some extent by air. The proportions in which the produce moved to Calcutta by the three different means of transport during the last 3 years are indicated in table XLVII.

NOTE. — *Out of the total quantity exported, the percentage that came to the Calcutta and Cochin auctions was 47 as against 53 sent for auctions in London and private sales and forward contract.

†The percentage of tea sold by forward contract to total export auction tea was 53 in South India and 11 in North India.

TABLE XLVI

Table showing grade-wise sales of tea by producers in the year 1953.

(Quantity in thousand lbs.)

Method of sale	F. O. P.	B. P.	B. O. P.	O. P.	P. S.	B. P. S.	Fanning	Dust	Others	Waste	Total
	Quantity and Percent-age	Quantity and Percent-age	Quantity and Percent-age	Quantity and Percent-age	Quantity and Percent-age	Quantity and Percent-age	Quantity and Percent-age	Quantity and Percent-age	Quantity and Percent-age	Quantity and Percent-age	Quantity and Percent-age
1	2	3	4	5	6	7	8	9	10	11	12
1. London Auction N.I.	155 (0.21)	12,004 (16.31)	9,931 (13.49)	156 (0.21)	..	928 (1.26)	49,476 (67.21)	604 (0.59)	362 (0.49)	1	73,617
S.I.	..	2,345 (11.54)	9,105 (44.79)	13 (0.06)	..	2 (0.01)	8,836 (43.47)	..	27 (0.13)	..	20,328
2. Calcutta Auction N.I. Cochin Auction	739 (1.10)	10,469 (15.54)	8,826 (13.11)	1,551 (2.30)	2	3,182 (4.73)	16,078 (23.88)	23,010 (34.17)	3,482 (5.17)	1	67,340
S.I.	2 (0.01)	474 (2.04)	11,437 (49.12)	365 (1.56)	12 (0.05)	208 (0.89)	7,055 (30.30)	2,853 (12.25)	834 (3.58)	44 (0.19)	23,284
3. Direct sale to N.I. buyers in India and abroad	9 (0.08)	1,947 (17.33)	2,669 (23.75)	231 (2.06)	..	701 (6.24)	3,866 (34.40)	232 (2.06)	1,582 (14.08)	..	11,237
S.I.	..	1,603 (5.31)	5,722 (18.97)	159 (0.53)	..	130 (0.43)	7,730 (25.62)	11,935 (39.56)	2,880 (9.55)	10 (0.03)	30,169

TABLE XLVI—Contd.

	1	2	3	4	5	6	7	8	9	10	11	12
4. Other sales												
N.I.	..	..	37 (16.32)	20 (8.82)	..	..	69 (30.43)	9 (3.97)	9 (3.97)	47 (20.73)	36 (15.88)	227
S.I.	..	..	8 (8.10)	5 (5.38)	..	..	..	..	41 (44.08)	39 (41.93)	..	93
Total												
N.I.	903 (0.59)	24,456 (16.05)	21,446 (14.07)	1,938 (1.27)	2	4,880 (3.20)	69,429 (45.55)	23,855 (15.65)	5,473 (3.59)	38 (0.02)	152,421	
S.I.	2	4,430 (6.00)	26,269 (35.56)	537 (0.73)	12 (0.03)	340 (0.46)	23,621 (31.98)	14,829 (20.07)	3,780 (5.11)	54 (0.07)	73,874	
A.I.	905 (0.40)	28,887 (12.77)	47,715 (21.08)	2,475 (1.09)	14 (0.01)	5,220 (2.31)	93,050 (41.12)	38,684 (17.10)	9,253 (4.09)	92 (0.04)	226,295	

NOTE—The above particulars relate to 208 estates in North India and 135 estates in South India who have furnished breakdown Figures by grades.
Figures in brackets indicate percentages.

Abbreviations.—

- N. I.—North India.
- S. I.—South India.
- A. I.—All India.
- F. O. P.—Flowery Orange Pekoe.
- B. P.—Broken Pekoe.
- B. O. P.—Broken Orange Pekoe, etc.

TABLE XLVII

Table showing arrivals of tea at Calcutta by river, rail and air transports during the three years ending 1954-55.

(Figures in chests)

Year	Rail	River	Air	Total	Percentage of		
					2 to 5	3 to 5	4 to 5
1	2	3	4	5	6	7	8
1952-53 .	979,074	3,249,605	127,714	4,356,393	22.47	74.59	2.93
1953-54 .	969,002	3,279,849	91,105	4,339,956	22.33	75.57	2.10
1954-55 .	871,526	3,412,072	177,544	4,461,142	19.54	76.48	3.98

SOURCE.—Tea Board.

4. There are certain problems concerned with transport itself which we have dealt with in greater detail elsewhere.

Warehousing in Calcutta

5. The teas which are to be disposed of through the Calcutta auctions are stored in warehouses in Calcutta. At present 9,51,279 sq. ft. of warehousing space belonging to the Calcutta Port Trust is operated by a company on behalf of the Calcutta Tea Traders' Association. There are also reception points and transit sheds for river and rail-borne teas arriving in Calcutta, covering an area of 3,20,173 sq. ft. In addition, there are some 12 warehouses worked by private operators which can accommodate about 180,000 chests. The private warehouses are operated by certain agency houses and agents in Calcutta, largely to deal with teas produced in their own gardens. The Tea Auctions Committee which was appointed by the Government of India in October, 1954, under the chairmanship of the Chairman of the Tea Board to examine the steps to be taken for a progressive increase in the quantity of tea to be auctioned in India, computed that the existing maximum storage capacity for sales of tea in Calcutta was for 680,549 chests. It is admitted on all hands that there is urgent need for the expansion of suitable storage accommodation for tea in Calcutta especially in view of the accepted policy of Government to progressively increase the quantity of tea auctioned in India, so that within a reasonable period of time the bulk of the crop will be auctioned in India. The Tea Auctions Committee recommended that the storage accommodation should be increased as early as possible in order to store about one million chests at a time. Government have accepted the recommendation of the Committee that warehousing facilities in Calcutta should be enlarged urgently and have asked the Tea Board to take steps to implement it.

Warehousing in Cochin

6. In Cochin, the warehousing problem is more simple. The teas arriving in Cochin from the tea growing areas of South India for shipment or for the local auctions are housed in godowns in the port area in the occupation of shipping agents. There is no centralised warehouse administration in Cochin as in Calcutta. Particulars have not been furnished regarding the actual floor area in use in Cochin but the Tea Trade Association of Cochin and the other interests concerned have assured us that the warehousing facilities available at Cochin are adequate to deal with the entire tea produced in South India even if the whole of it were to be sold in the Cochin auctions.

Public warehousemen's charges and nature of service rendered

7. The nature of the services rendered and the particulars of charges levied by the company which operates the public tea warehouses in Calcutta on behalf of the Calcutta Tea Traders' Association are given in Appendix XVI. As regards the efficiency of the warehousing service in Calcutta and the reasonableness of the charges levied, a section of producers has expressed the view that subject to the limitation of storage space available, the service is satisfactory and the charges reasonable. Two producers' organisations in the Indian owned sector of the industry and a number of individual companies have expressed the view that charges are high and there is scope for reduction. Views have also been expressed that the administration of the warehouses should not be entrusted to a single company and that in the absence of competing agencies it is not possible to compare charges to adjudge their fairness. Complaints have also been made of loss of tea and damage to chests.

8. One section of the tea trade in Calcutta representative of the Indian section of the trade has urged that, especially in view of the fact that the quantities of tea to be warehoused and sold in Calcutta will increase in the near future, the warehousing operations should be entrusted to the Calcutta Port Commissioners or to a corporate body to be organised by the tea trade. The Port Commissioners are, however, not agreeable under any circumstance to undertake warehousing of tea as in their opinion it is not one of their legitimate functions. Though the section of the trade concerned has no complaints regarding actual administration of the present warehousemen, they have taken objection in principle to the present system under which a company which is itself interested in the production, buying and export of tea, is entrusted with warehouse administration which is a service common to all in the trade including the trade rivals of the company concerned.

9. In view of the divergent views expressed it is not possible to pronounce any opinion regarding the reasonableness or otherwise of the Calcutta warehouse charges without undertaking a detailed costs investigation. However, our appraisal of the situation shows that it is not so much a matter of the reasonableness or otherwise of present charges as one of ultimate control and responsibility for warehouse administration that needs consideration to give satisfaction to all sections of the industry. We shall revert to this in a subsequent paragraph.

Tea brokers at Calcutta—their role

10. The teas received and warehoused in Calcutta are mostly sold in public auctions held under the auspices of the Calcutta Tea Traders' Association. The auctions are held by the Tea Brokers who provide the organisation necessary for the purpose. Apart from selling the crop for the producers, the brokers in Calcutta perform a variety of services. One of the firms of brokers in their reply to our questionnaire states "The term 'Broker' when used in connection with tea brokers is rather a misnomer. We are a number of things. We are auctioneers and valuers. We are consultants on tea manufacture and market prospects. We are financiers and we deal in Real Estate. We provide the basis of tea documentation and statistics". A list of the important services rendered by the tea brokers to sellers and buyers as furnished by the Calcutta Tea Traders' Association and the Cochin Tea Traders' Association will be found in Appendix XVII.

11. The Calcutta brokers charge a brokerage of 1% of sale prices from the sellers and Rs. 1-4 per 100 lbs. from buyers. They also charge now 7 annas per package for inspection, printing, lotting and sampling. Previous to 1952 the charge on this account was only 5 annas per package. The Cochin brokers charge 1% as selling brokerage. They do not charge buyers any brokerage. For printing, lotting and sampling they charge sellers Re. 1 and buyers Re. 1 per lot. A section of the industry has no complaints against the reasonableness of the charges, but representations have also been made by another section that the charges are too high. In Annexure LXX is given a list of the various charges made by the tea brokers at the important tea world auction centres.

12. The brokers are informed by the Warehousemen when the teas consigned by the producers to be dealt with by them (brokers) are received and stocked in the warehouses. The brokers then arrange to have the tea chests inspected, to have samples drawn, tasted and valued, catalogues printed and samples distributed prior to the auctions. The catalogues themselves are documents which contain information on all the important points on which a buyer will need information regarding the article for which he is bidding, such as the garden and estate which produced the tea, its grade and quality, the condition of the packing case or container. All important matters connected with inspection, distribution of samples and sales whether by private contracts or by auctions, are regulated by rules made by the Calcutta Tea Traders' Association. The proportion of the produce arriving in the Calcutta warehouses run by the Association which is disposed of by private contract, is understood to be very small. The bulk is sold in auction. Amongst other matters, the rules place on the broker the responsibility to see that teas of doubtful quality are not offered for sale at the auctions. Teas which are found to be of doubtful quality by a broker are required to be sent to the Association's Committee of Adjudication or for analysis. Teas which are found to be unfit for sale by the Committee of Adjudication, or by analysis are sent to the Faulty Tea Warehouse of the Association to be cleaned and made fit for consumption if

possible, or if that is not possible, to be denatured and sold as tea waste. In Calcutta the export auctions, that is to say the auction of teas covered by export quotas, and internal auctions or auctions of teas not covered by export quotas are held separately. The auctions are normally held on Mondays and Tuesdays of every week.

13. As the production of tea is seasonal in North India, the Calcutta auctions usually begin in May or June and end in March or April. Though export auctions and internal auctions are held separately, there is no prohibition against a buyer in the export sale selling the tea within the country, disposing of the export quota right separately or the buyer in an internal sale exporting the tea after getting it duly covered with the necessary export rights. The sales by auctions in Calcutta are regulated by the Rules of the Calcutta Tea Traders' Association, which will be found in Appendix XVIII.

14. In Cochin the position regarding the working of tea auctions is very similar to that in Calcutta except that the auctions go on all the year round, South Indian tea production not being quite so seasonal as North Indian. The sale of tea by the brokers in Cochin is regulated by the rules made by the Tea Trade Association of Cochin. There are only two broking houses at Cochin. Both are predominantly Non-Indian in regard to ownership and management, one of which is a branch of the Calcutta broking house of the same name. Their rules regarding sale by auction will be found in Appendix XVIII.

The dominant place of the broker in the tea trade—concentration

15. In the marketing of tea in Calcutta the brokers have come to occupy an unusually strong position. The business is concentrated in a few hands. There are only six tea broking houses in Calcutta of which four are predominantly Non-Indian both as regards ownership and management. The major part of the sales is handled by the Non-Indian houses. In the year 1954-55 out of a total of about 243 million lbs. of tea auctioned in Calcutta, the four Non-Indian houses handled 38%, 21%, 18% and 19.5% respectively and the two Indian houses 2% and 1.5%. Particulars of the quantities auctioned and the percentage of the business handled by the broking houses at Calcutta and Cochin for three years ending 1954-55 are shown in Annexure LXXI.

16. The total capital employed by the Non-Indian broking houses of Calcutta and Cochin was 16.82 lakhs of rupees in the year 1953-54. Their reserves amounted to 45.15 lakhs of rupees. They had a gross income of 91.38 lakhs of rupees in that year. Their net profit after deducting all expenses and providing for taxation was 22.2 lakhs of rupees giving an average return of 131.9% on the paid-up capital. Taking the paid-up capital and reserves, this gives a return of 35.8%. In Annexure LXXII is given table showing the paid-up capital, reserves and profits of these companies for the 3 years ending 1953-54. An examination of the total paid-up share capital of broking firms reveals that nearly half the paid-up capital is accounted for by allocation of shares for consideration other than cash. In one company the entire share capital with

the exception of a very nominal sum has been thus allotted. Even in the matter of staffing, out of the 41 people employed on salaries above Rs. 1,000 by the four Non-Indian broking houses, only 12 were Indians and 29 were Non-Indians in the year 1954-55.

17. Apart from the concentration of business in the hands of a limited number of firms, the nature of the functions discharged by the brokers gives them a position of dominance in the Calcutta tea market. In the majority of cases they act as brokers both for the sellers as well as for the buyers. Amongst other things, this duality of functions casts on them the responsibility of advising both the sellers and the buyers regarding the valuation of teas handled by them. Normally the function of a seller broker should be to get his client the best price possible for his product put on the market. A buyer's broker has the corresponding responsibility of helping his client to buy the article he wants as cheaply as he can get it. In Calcutta, unlike other places, the tea broker combines in himself both functions. The Calcutta Tea Traders' Association have claimed that the guidance which brokers' valuations provide is a factor tending to stabilize the market which is in the interest of all. It has, however, been urged by a section of the tea trade in Calcutta that under the present system, the buyer's interests are not as adequately protected as they would be if the selling and buying brokers were separate. It is arguable on the same grounds that the seller's interests do not get the same degree of protection which they would if the selling and buying brokers were separate. In any case, as mentioned by a producers' organisation, there is every reason to think that the valuation of the broker which in his dual capacity he communicates both to the seller and the prospective buyer, plays an important part in deciding the relative prices of the produce of the different estates at the auctions. This gives the broker a position of very considerable power and influence in the Industry. We would, therefore, recommend that the selling and buying brokers should be separate functionaries. They should not be connected in any way with the management or be a major shareholder of any tea estate or have any connection with the trade and exports of tea.

Tea brokers also function as financiers

18. The Calcutta brokers also act to a considerable extent as financiers to producers, which again adds considerably to their power and influence. In the year 1953-54 the loans advanced by the four Non-Indian broking houses to tea producers were of the order of Rs. 2.55 crores. In Annexure LXXIII is given a table showing the amounts advanced by the individual broking houses in the 3 years 1951-52 to 1953-54. Producers who borrow from the brokers naturally send their teas to be sold by the same brokers. Money lending thus becomes a means of enlarging brokerage business. The rate of interest is about 1 to 1½% above the bank rate. A section of the Calcutta tea trade has criticised this practice of financing by brokers as objectionable in principle, as by such financing a broker could exercise undue influence on tea sale policy of a garden which borrows from him. But what is perhaps more important from the point of view of a healthy development of competitive forces in the market is that the combination of

money lending with tea broking makes it difficult for new comers, however well qualified otherwise, to set up as brokers, unless they have also the extra financial resources necessary to finance producers.

19. As far as the buying sector is concerned the brokers help buyers by allowing them credit in the following manner. In Calcutta the prompt date, or the date by which under the terms of sale the buyers at the auction have to pay for the tea bought by them, is 14 days after the sale. Teas can of course be removed earlier on payment. Under the system obtaining in Calcutta the brokers assume responsibility for the due payment of the proceeds of sales to the seller after the sales are effected. After the auctions brokers often allow certain buyers to remove their teas from the warehouse on credit before final payment. This is done at the broker's risk because he is liable to the seller to pay him the sale proceeds by the prompt date. The Tea Auctions Committee (1955) estimated that in the year 1953 nearly 90% of the total offerings at the auctions were so allowed by the brokers to be removed on credit by buyers without prior payment. Here again a section of the Calcutta tea trade has a grievance that in the matter of affording credit to buyers there is sometimes an element of discrimination between parties. They have urged that the brokers as a public institution had the duty to grant accommodation to every buyer. Parties who are allowed to remove their teas on credit without prior payment get a definite advantage over their trade rivals. The brokers' answer to the charge of discrimination is that in fact there is no discrimination, and credit is allowed according to normal business principles in accordance with their assessment of the credit worthiness of the parties concerned. It is urged that as the brokers are risking their own money, the final voice in deciding to whom they will extend credit, and to what extent, must necessarily rest with them.

20. We note that there is excessive concentration of economic power in a few hands and this gives scope for complaints of discrimination and other grievances. The situation is, therefore, inherently unsound. In this connection it has been pointed out that in the general committee of the Calcutta Tea Traders' Association which is the body ultimately responsible for all arrangements regarding the working of the Calcutta tea auctions, the brokers again have an unduly strong position. There are 4 broker members in a committee of 12, the remaining 8 consisting of 4 seller members and 4 buyer members.

Recommendation for broad basing tea marketing

21. From our study of the present tea marketing organisation in Calcutta, the important features of which we have briefly touched upon in the previous paragraphs, we find that there is a concentration of considerable economic power in the hands of a limited number of broking houses who have also a considerable say in the parent body, the Calcutta Tea Traders' Association, which is ultimately responsible for the regulations governing the marketing organisation. We also observe that this concentration of economic power in a few hands has given rise to feelings of grievance in certain sections of the industry in

certain matters. We are of the opinion that it is desirable to make the organisation and control of tea market more broad based. To achieve this purpose the appropriate body, in our opinion, would be the Tea Board. The Tea Board is a statutory body fully representative of all sections of the Tea industry and trade. Public interests are also represented on it. Regulating the sale of tea is one of the functions which it could assume under the Tea Act. We recommend that the Tea Board should assume the function of regulating the sale of tea in the Cochin and Calcutta auctions. The rules governing the auction sales and other matters pertinent to the primary marketing of tea should be made by the Tea Board. The Tea Board should arrange to provide the premises and such staff as may be necessary for holding auctions and also license the brokers and other market functionaries. To help the Board in exercising its functions regarding the regulation of sales it should appoint a Standing committee. As is usual in the case of marketing committees in the case of other commodities, the Standing Committee should have a majority representation of the tea producing interests. Considering the importance of the functions of the committee the chairman of the Tea Board should himself be the Chairman of the Standing Committee on marketing. To look after the marketing arrangements at Cochin the Standing committee should appoint a sub-committee which will be responsible to the main committee.

22. We do not wish to suggest in detail the manner in which the Tea Board through its marketing committee should regulate the machinery for marketing except to say that the object should be to ensure the provision of a machinery which while adequately looking after the legitimate interests of all sections of the Tea industry and trade, will avoid excessive concentration of power in the hands of any particular section to the possible detriment of other sections. On the technical side it will be necessary to build up an adequate body of men trained in tea tasting and other matters connected with tea marketing. It will be for the Tea Board to arrange for the selection and training of the necessary personnel. It could be one of the conditions of the licence of a broker that he should train a prescribed number of apprentices depending on the volume of his business and the facilities he commands. It will be for the Tea Board to go into details and provide for all matters necessary for the development of a broad based marketing organisation in Calcutta and Cochin. The Tea Board should also in conformity with its objective of promoting co-operative efforts amongst growers and manufacturers give every facility to producers for co-operative marketing of their produce.

Tea warehousing

23. As warehousing is intimately connected with the process of marketing, the Tea Board through its proposed standing committee for marketing should also assume responsibility for the administration of the public tea warehouses in Calcutta. The committee could work the warehouses departmentally or through any suitable agency as it

may find convenient. When the Tea Board assumes responsibility for the administration of the warehouses, any defects in their working cannot be laid against any single company or private organisation and the responsibility of rectifying defects will be that of the Board which is a public authority. The Tea Board should also look into the question of warehousing and brokerage charges about which complaints have been made. Amongst other things the fixation of warehousing and brokerage charges will then be the Board's responsibility.

24. In Cochin, as mentioned earlier, there is at present no centralised warehousing as in Calcutta. Each producer makes his own arrangements for warehousing. If in future the need arises for a centralised warehousing system in Cochin, the Tea Board through the relevant committee should be responsible for its administration also.

Tea auction committee's report

25. As regards the question of the quantity of Indian grown tea which should be allowed to be exported without passing through the India auctions, the policy of the Government of India is, to quote from the Government press note dated 15th October, 1954 appointing the Tea Auctions Committee, "that steps should be taken for the progressive increase in the quantity auctioned in India so that within a reasonable period of time the bulk of the crop is auctioned within the country". This according to Government "should be effected in such a way as to cause the minimum dislocation to the orderly marketing of this important export commodity". To examine this problem in all its aspects Government appointed the Tea Auctions Committee in October 1954 under the chairmanship of the Chairman of the Tea Board. Government have already considered the report of the committee and taken the decision that there should be a progressive reduction in the quantity of tea consigned to foreign auctions and that for this purpose a ceiling should be fixed every year. We have no modifications to suggest either as regards the policy or the procedure decided by Government except to say that in deciding the ceiling to be fixed every year, the teas exported under forward contracts and direct sales should be included within this ceiling.

Complaints of speculation in tea market examined

26. In considering the question of marketing tea, we have also examined the question whether there is any kind of speculation to such an extent as to call for regulatory auction by Government in the interests of the industry. Certain features of the product itself would to a large extent inhibit any tendency to cornering and large scale speculation. Tea is not a standardised product, but is marketed in numerous grades and widely differing qualities. Under climatic conditions obtaining in India it will be difficult to corner and hold stocks for prolonged periods without serious risks of deterioration. A large section of the industry is of opinion that the tea trade does not have speculative activities to an extent calling for remedial action by the State. Some companies

have stated that "quite a lot of speculation and price rigging" takes place. One producers' organisation has stated "there is some amount of speculative activity in teas as in almost every trade. There are only a few big buyers at the auctions and they can, if they so desire, twist the market by combining for that purpose. The sales for the internal market in the Calcutta auctions are practically dominated by two big buyers; notwithstanding this background there does not appear to be any pronounced speculative activity in the marketing of tea". Speaking of remedies the same Association continues "Rigging of price by combination of a limited number of influential buyers may be combated only if the Calcutta auctions can be made more attractive to world buyers which will convert combination into competition. So the only remedy we may suggest is the development of the Calcutta auctions in order to increase competition amongst purchasers". It is a fact that two large buyers account for the purchase of the large part of the internal sales and the number of large buyers in the external sales is also limited. Large concentration of business amongst a limited number of large buyers and the consequent facility for combined action on their part can conceivably work to the disadvantage of sellers in certain circumstances. It is to be expected that as the volume of tea offered at the Calcutta auctions increases both as regards quantity and quality, the number of buyers will increase.

27. In the export of tea from India, the existing system of transferable export quotas has come in for a certain measure of criticism which we shall now proceed to examine.

Export quotas—how fixed

28. The export of tea from India is regulated by the Tea Act, 1953 and the Rules framed under it. No tea can be exported from the country unless it is covered by licence issued by the Tea Board. The total quantity of tea that may be exported from the country in each financial year, which is called the "Export Allotment" under the Tea Act is decided and notified by the Central Government. In deciding the export allotment Government take into consideration all relevant factors such as the estimated production, the needs of the internal market and the maximum limit for export for the year fixed by the International Tea Committee. The export allotment will naturally be a figure smaller than the total quantity of tea produced in the country during the year concerned. This means that if the right to export is to be divided equitably amongst all the producers some working formula has to be adopted. Under the Tea Rules, 1954, this equitable distribution is achieved in the following manner. A "crop basis" is settled for each estate, every year, on the basis of the best crop produced by it in any of four years previous to the preceding financial year. The export quota for each estate, that is the total quantity which may be exported by the estate within the year, will bear to the "crop basis" of that estate the same proportion which the "export allotment" for the year fixed by Government bears to the total crop basis of all the tea estates in the country. Thus for the year 1954-55 the export quota for

each estate was 67·5% of its crop basis. An estate to which an export quota is allotted is entitled under the Tea Act to get an export licence for the quantity of tea covered by the quota.

Transferable

29. The Tea Act also provides that the right of the producer to get export licenses on the basis of his export quotas is transferable. A producer getting a quota can transfer it or part of it to any person and that person can in his turn transfer it to any owner of a tea garden but not to any other person. This right of transfer has come to possess a variable but quite substantial monetary value because of the following facts. As already pointed out, the export quota covers only a proportion of the total crop of an estate. Some estates will not need all the export quota they get because their crops are not suitable for the export market, or the exportable portion of their crop is not sufficient to cover their export quota in full, or for some other reason they choose to sell their crop in the internal market. On the other hand some estates, the bulk of whose produce is fit for the export market, may wish to export more than what is covered by their quotas. To cover the difference they will have to buy quotas from those who are willing to sell. Also blenders and packers who sell their blended brands in the internal market often buy teas covered by export rights in the auctions when they find that the grades they want to make up their blends are not available in necessary quantities amongst the teas sold without export rights. They will want to dispose of by sale the export rights thus acquired by them. As against this, exporters and shippers sometimes buy in the auctions teas not covered by export rights, for the purpose of export. They have to buy necessary quotas to cover these teas before they can export them. Thus under the existing system there are people wanting to sell their quota rights and people wanting to buy them and the export quota has become a marketable item with a monetary value.

Role of Accommodation estate

30. When once thousands of small holders and others had export quota to sell, the very magnitude of this sale resulted in some form of organisation to deal in quotas. Four prominent Non-Indian tea broking houses in Calcutta have formed a private limited company which deals in tea export quotas as brokers on a commission basis. The two Indian broking houses in Calcutta and two Non-Indian tea broking houses in Cochin also deal in tea quotas as brokers. The rules permitted sale of quotas only once to a non-producer, and thereafter only to a producer. To get over this difficulty some of these companies dealing in quotas maintain what are called "accommodation estates" to transact their business in quotas. Such "accommodation estates" are usually small estates, which on payment of a consideration, allow themselves to be used by the quota brokers to effect transfers of quotas. The quotas offered by the sellers are bought by the broker in the name of the accommodation estate and sold to buyers from the accommodation estate's holding of quotas thus acquired. The table below shows for the years 1953-54 and 1954-55 the quantity of quotas handled by Tea Quotas Limited, and the tea broking concerns who deal in quotas.

TABLE XLVIII

Table showing the quantity of the quotas handled by Tea Quotas Limited and the tea broking houses companies dealing in quotas in the 2 years 1953-54 and 1954-55

	Quotas in lbs. handled	
	1953-54	1954-55
Tea Quota Limited and tea broking houses of Calcutta	105,611,535	73,489,638
Tea broking houses of Cochin	18,361,241	9,337,217

31. Apart from this, dealings in quotas take place between numerous people who wish to sell and those who wish to buy without any sort of definite organisation. The owners of small gardens who do not produce teas for export, and amongst the bigger proprietors those who are in urgent need of finance usually sell their quotas. The small proprietors of South India and Dehra Dun usually sell their quotas. So do the small holders of the Kangra Valley whose green teas, though sent largely to Afghanistan, do not require to be covered by export licences. As they are not in direct touch with the markets they do not always get the best prices for their quotas. The advantage of high quota prices are reaped largely by intermediaries who deal in quotas. It was mentioned to us at several places that apart from the transfers of quotas legally allowed and formally registered in the quota accounts of the Tea Board, quota rights often change hands without coming on record and that there is speculation especially when the export prices rule high as was the case in 1954. It was mentioned that when quota prices rule high dealers even buy in the export auctions quantities in excess of their export requirements in order to exploit the high quota prices by selling the quotas separately.

Quota transfers—analysed

32. The point for consideration is whether the system of transferable quotas is justified by economic or other valid considerations. The larger exporters and their associations are generally speaking opposed to quotas being granted to those who do not export their produce. Their point is that there is no economic justification to grant export quotas, which are in essence the right to obtain export licences, to people who do not produce an exportable quality of tea or who for other reasons do not wish to export their tea, merely to enable them to sell the quotas to people who wish to export and thus obtain some payment from them. The small producers, however, look at the quota system from a different angle. Their case is that they have no facilities to take advantage of world markets as the big producers have, but what they produce satisfies part of the internal demand and to that extent releases certain tea for export which might otherwise have been needed to meet internal needs. They, therefore, claim a share of the advantages which arise from participation in the world trade in tea. In any

case as far as the small producers are concerned it was urged that the price which they receive from the sale of their export quotas is one source of their income.

33. In Questionnaire I—Tea, we had sought the views of all those connected with the industry, whether in their opinion the existing system of grant of export quotas was satisfactory and whether they had any suggestions to make to improve it. The following are points from some of the replies received :—

“Several methods of altering the basis of export quota have failed so far. It is suggested that the export quota should be granted automatically to the exporters at the point of export
 ---Some machinery to eliminate speculation and middlemen—
 The trading of export quota in the hands of non-shippers may tell upon the steady price of the tea and difficulties may arise with the actual exporters. No garden should be allowed to acquire quotas beyond its actual production of teas—The system of accommodation garden is not desirable—Quotas to be saleable only within the estates of the same company or agency—Crop basis not proper as gardens opened lately and bushes did not yield much during the basic years. Young area allowance should be introduced again—Allotment to those who have no intention or ability to use it is fundamentally wrong
 ---We look for a system whereby those not connected with the Tea industry are unable to buy or sell quotas.”

34. The larger producers are dissatisfied with the quota system. The small growers are concerned with the loss in their income which may result from the abolition of the system but not with the institution of the export quota as such. We have given careful consideration to the question whether there is any economic justification for the continuance of the quota system as it exists and have come to the conclusion that there is none. The benefits do not go entirely to the small holder but intermediaries who buy and sell quotas also share it. If small growers are to be subsidised, more economic and direct methods can be followed which will ensure that the benefits go wholly to those for whom they are intended. After careful consideration of all the points that have been brought before us, we recommend that the quota system should be abolished. This will affect the income of the small producers to some extent. For them we have made recommendations elsewhere in the report that they should be granted assistance like subsidised issues of manures and supplies of equipment accompanied by technical assistance. The exact nature and quantum of the assistance we have left to be decided by the Tea Board. If these recommendations are given effect to, the small producers will get benefits more substantial than the meagre amounts they now get by the sale of their export quotas.

35. If the quota system is abolished, it will still be necessary to regulate exports of tea with a view to ensure that only the surplus after providing for internal consumption is released for export. This can be done under the Import and Export Control Act as for other commodities which are subject to quantitative restrictions for exports.

CHAPTER XII

MARKETING OF TEA—RETAIL DISTRIBUTION OF TEA IN INDIA

In the previous chapter has been given a brief description of the primary marketing of tea, that is, the sale by producers at the Calcutta and Cochin auctions, by private contract, and ex-garden sales. These sales are the sources from which the dealers, the blenders and packers get their supplies for retail distribution. Many of the dealers who buy in the auctions are both exporters and internal distributors. In this chapter the mechanism of the internal distribution of tea in this country is considered.

Packaged tea—quantity packed by important packing firms

2. Tea is vended to the consumer either loose (by weight) or in packets bearing in most cases the brand names of different packers and blenders. Exact figures are not available regarding the relative proportions of tea sold in packets and tea sold loose for consumption. The following table shows the quantities of packaged tea sold by 5 packers and blenders, who have given complete data in reply to our questionnaire for the years 1951, 1952 and 1953, the total estimated consumption of tea in the country in these years and the percentage of the former to the latter for each year. Included in these five packers and blenders are concerns which among them pack and distribute the major part of teas sold in packaged form within the country. The figures may, therefore, be taken to cover the major part of packaged tea sold in the country.

TABLE XLIX

Table showing the total quantity of packaged tea sold in India by five blending and packing firms in relation to the estimated consumption of tea in India

(Figures in cols. 2 & 3 in million lbs.)

Year*	†Quantity of packaged tea sold by Five blending and packing firms in India	‡Estimated available for Consumption in India (both packaged and loose)	Percentage of 2 to 3
1	2	3	4
1951	92.70 (92.10)	168.00	55.18(54.82)
1952	93.40 (92.70)	187.00	49.95(49.56)
1953	96.30 (95.60)	175.70	54.81(54.41)
1954	93.50 (92.80)	180.00	51.94(51.55)
AVERAGE	93.98 (93.30)	177.50	52.94(52.56)

NOTE—i*In respect of one company, the figures relate to the financial year ending June of the succeeding year. 1954 figures in respect of this company based on actuals for 9 months and estimates for the remaining 3 months.

ii—Figures in brackets under cols. 2 and 4 relate to two firms.

iii† Returns furnished by five companies.

iv‡ Estimates furnished by Tea Board.

3. The above Table shows that packaged tea sold in India averaged 25·94% of the total amount of tea estimated to be available for internal consumption in the four years 1951 to 1954. The percentage referred to *i.e.* 52·94 represents the total for five firms only; the percentage for all the firms in India will be higher than this. Since April 1953 figures are available from official sources regarding the quantities of tea packaged in the country.

Excise duty

4. In April 1953, as a measure of relief to tea producers, the Government of India made a change in the quantum and mode of levy of excise duty on tea. Previously the duty was levied at a uniform rate of 3 annas per lb. on all tea when it left the estate. With effect from 15th April, 1953, this was reduced to 1 anna per lb. on tea which was sold unpackaged; and a duty of 4 annas per lb. was imposed on packaged tea which by definition meant packages not exceeding 60 lbs. in weight. Particulars are, therefore, available with the Central Excise authorities regarding teas which were packaged and cleared for distribution since 15th April, 1953, though the quantities actually consumed are not available. Table below shows the quantities of teas in packaged form available for consumption in the country in 1953-54 and 1954-55, the total estimated consumption of tea during these years and the percentage of the former to the latter.

TABLE L

Table showing quantities of tea in packaged form available for consumption in India in 1953-54 and 1954-55

(Figures in cols. 2 and 3 in million lbs.)

Year	Quantity of packaged tea (Figures relate to clearances allowed by Central Excise—less quantity exported)	Total quantity of tea available for internal consumption (Package and loose tea)	Percentage of 2 to 3
1	2	3	4
1953-54	110·5	160·5	68·8
1954-55	98·1	205·6	47·7

SOURCE.—Statistics and Intelligence Branch—Central Excise.

Loose tea—quantity retailed

5. The mechanism of the distribution of loose tea is ordinarily as follows. The wholesale dealers who buy at the auctions or direct from the gardens, in their turn, sell the teas they buy, to the smaller dealers and retailers. The retailers who buy a few chests at a time sell it loose by weight to their customers without any systematic blending. One large group of producers in South India have their own system of distributing their loose tea (mostly dust) through wholesale dealers on a

commission basis. The quantities of loose tea so distributed by them averaged 5.7 million lbs. in a year during the four years 1951-54. From the point of view of the consumer, the main advantage of distribution of tea in loose form instead of in packet form, is that loose tea is cheaper, as apart from other things, the expenses of blending and packing are avoided. The average retail prices of loose and packet tea per lb., month by month in Calcutta in the years 1953 and 1954 are shown in Annexure LXXIV. The difference between the retail prices of loose and packet tea during the period ranged between 6 annas to 12 annas per lb. There is nothing to be said in favour of distribution of tea in the loose form except the price advantage. It is much less hygienic than distribution in sealed packages, as risks of contamination by dust and dirt in the process of retail vending are much greater. The possibilities of deliberate adulteration are also obviously greater in loose tea than in packet teas. In this connection it has been represented to us that the effect of the impost of a higher rate of excise duty on packaged tea than on loose tea has been to stimulate the retail distribution of tea in loose form instead of in packages. Annexure LXXV shows for each of the years 1951 to 1954 the total quantities of teas sold loose and in packages by five companies which include the largest distributors in the country.

Sale increased after levy of differential duty on packed tea

6. It will be seen that even in the case of these five companies whose main business is blending and selling tea in packages, there was an increase in the quantities of loose tea which they sold after April 1953. Annexures LXXVI and LXXVII which respectively show the production of tea in packaged and loose form and their availability for internal consumption and an analysis of the teas packed according to size of packing for the years 1953-54 and 1954-55, also indicate a tendency for the proportion of loose tea distribution to increase. The trends disclosed are suggestive of what one would expect from a differential rate of this nature. The figures given in the Annexure show that there is a fall in the manufacture of small packings below 4 oz. which are consumed largely by the poorer sections of consumers. There is a shift from packaged tea to loose tea consumption. The marked fall in the manufacture of packings above 5 lbs. which are consumed mostly by large consumers like hotels and restaurants is probably due to the fact that their requirements are catered to by large packings of 60 lbs. and above, the teas thus escaping the incidence of the higher rate of duty on 'packaged' tea.

Excise duty—abolition of differential levy recommended

7. We have already mentioned that from a hygienic point of view and from the point of view of reducing opportunities of fraudulent adulteration, the method of distribution in packages is in the interests of the consumers. When tea is distributed in branded packages, if the contents are found to be adulterated, it is easier to fix the responsibility for it than it would be, when tea is distributed loose. It is, in our opinion, undesirable that any tax should have the effect of stimulating to any extent the distribution of an article of human consumption in a

less hygienic form rather than in a more hygienic form. Packeting expense itself substantially adds to the cost of packeted tea. By subjecting it to a higher rate of excise duty, it is priced out from the reaches of the lower income group. We, therefore, recommend that the differential rates of excise duties on packaged and loose tea should be abolished and the old uniform rate of duty of 3 annas per lb. on all tea restored.

Concession to small holders recommended

8. The differential rates in the levy of central excise duty on tea was introduced by Government in 1953 with a view to giving relief to producers who were then in difficult financial straits as a result of the previous year's slump in tea prices. Though estates have to pay duty when tea leaves the factory, the amounts are recovered from the buyers at the auctions at Calcutta and Cochin. There is, however, a time-lag between the payment and the recovery which can be anything between 3 and 4 months. During this period the burden of the duty has to be carried by the producer. If the differential levy is abolished as recommended by us in the previous paragraph, it will necessitate the provision of additional short term funds for all sections of producers. While it may not be difficult for companies who have built up reserves and who have augmented them from the large profits they have made in the year 1954 to provide the additional funds required, it will be a problem for others to provide additional amounts for this purpose. To ease their burden we recommend that the Central Board of Revenue should evolve a system by which companies and proprietors having less than 500 acres will be permitted to move their teas from factories, on pre-payment of only half the amount of excise duty provided they undertake payment of the balance within 90 days. We understand that the concession granted by the Government of India in 1952 to tea estates for deferred payment of excise duty was not availed of by any section of the industry, because the conditions attached thereto were stringent and bankers had to deposit with the Reserve Bank of India securities of the value of the bond required. As banks were unwilling to tie up their capital in this manner without payment by the guarantors of interest for the value of the amount guaranteed, the scheme fell through and was withdrawn with effect from the 1st January, 1954. We therefore, recommend that the scheme evolved should be a flexible one. Teas sold outright ex-garden will not be entitled to this concession.

9. We feel that by the enhancement of the levy of excise duty from the existing rate of 1 anna per pound to 3 annas, the financial difficulties of the small producers should not be aggravated. Though numerically they are large, their over-all production is very small. The bulk of them, particularly in Kangra, produce by hand process and the quality in consequence is very inferior and cannot bear the additional impost. As a measure of relief to them, we recommend that for all those producers whose total production does not exceed 5,000 pounds a year, the excise duty should continue to be levied at the present rate of 1 anna per lb. only. In making this recommendation, we have been

guided by the fact that Government have accepted that a differential levy on small units of industries is justified, as for instance in the case of levy of excise duty on soap.

Advantage of vending tea in packaged form

10. Practically all the teas sold in packets, especially those marketed by the larger blenders under their brand names are sold in blends. According to the blenders, the object of blending is to give the consumers buying a particular brand of tea, a product which is uniform in quality, flavour and weight and at as stable a price as possible. It is a well known fact that teas even when properly manufactured, vary in flavour and other qualities from region to region, from estate to estate in a region, and from season to season even in the same estate. The nature of the bush and methods of manufacture also affect quality and flavour. So if teas are sold "straight" to consumers instead of after blending, it will not be possible to ensure uniformity of quality in the same brands. To have a consistent quality, different teas are mixed together in varying proportions by blenders so that the consumer gets a product which is always reasonably uniform in the qualities he looks for in the brand of tea he buys. A great deal of experience and skill on the part of blenders is required to get this result. As a number of different teas are usually used in each blend, the system provides flexibility, as one or more of the components can be omitted or replaced when necessary without the change being noticeable in the final product. Also by blending comparatively small quantities of fine teas with teas of inferior quality, it is possible to get a product which will be more generally acceptable to the consumer, than the inferior teas by themselves would be. As the Imperial Economic Committee says in its Report on Tea (1931)—"By the art of the blender it may fairly be claimed that the public as a whole gets a better article and the grower on the whole obtains a wider market. Nevertheless the use of a comparatively small supply of fine tea in order to 'blend off' with it tea of inferior quality offers for the latter a market which it might not secure on its merits." While blending is thus of benefit to the consumer, it is equally of benefit to the producer and merchant.

Tea packers—classified according to out-turn

11. For purposes of licensing, the Central Excise authorities have classified the makers of packaged tea in three classes namely, (i) those who manufacture more than 50,000 lbs. of package tea, (ii) those who manufacture more than 10,000 lbs. but not more than 50,000 lbs. and (iii) those who manufacture not more than 10,000 lbs. of such tea per year. The number of valid licence holders in each class and the quantities of tea packaged by each class of packers in the year 1954-55 are shown in Annexure LXXVIII. There was a total number of 301 licensed packers in the year with wide variation in capacity. Even amongst the licensed packers in class (i) there are wide differences in capacity. Two of the largest packers, both Non-Indian between them made 94.04 millions lbs. of packaged tea in the year 1954-55, which amounted to 85.5% of the total amount of tea packaged in the country during the year. The largest part of the trade in packaged tea is in the hands of these two Non-Indian companies.

12. Some of the large blenders have factories situated at different stations which are mechanised. Blended teas are packed in cartons or packets usually lined with pliofilm, aluminium foil, moisture proof paper or tins, the size of the packets ranging from one oz. upwards. The largest packers distribute their teas on a country wide basis using their own staff and the smaller ones through agents and wholesale distributors.

Costs of blending, packing and distribution—cost figures of three leading manufacturers analysed

13. The main elements in the costs of packaged tea are apart from the cost of the teas going into the blends, the cost of blending, packing, advertising and distributing. An analysis of the costs of blending, packing and selling packaged tea incurred by three leading companies in the years 1952, 1953 and 1954 is shown in Annexure LXXIX. The analysis shows that whereas the cost of blending and packing has not shown any significant increase in the three years 1952-54, the costs of selling and distribution and the administrative overheads have shown an increasing trend. It also shows that the expenses incurred by company (C) which is an Indian company, are very much less than those incurred by the two other companies which are Non-Indian, both in ownership and management. Figures under the relative heads are shown in the table below.

TABLE LI.

Table showing the cost of blending and vending tea by 3 Blending Companies

(Figures in cols. 2 to 4 are in annas per lb.)

Name of Companies	Cost of packaging and distribution including Administrative over-heads but excluding profits		
	1952	1953	1954
1	2	3	4
Blending and packings—			
Direct Costs.—			
A	3.28	3.18	3.28
B	4.69	4.34	4.96
C	1.83	2.05	1.98
Selling and Distribution Expenses—			
A	3.64	3.78	4.06
B	6.44	6.31	6.71
C	1.71	1.83	2.10
General over-heads—			
A	1.28	1.24	1.40
B	0.82	0.88	0.82
C	0.63	0.91	0.91

14. The average profit per pound packaged and sold by the companies ranged between 1 to 2·3 annas. As, however, the analysis made by the Cost Account Staff was not a detailed one it has not been possible to ascertain the quantum of profit in each blend packaged by the firms and whether there is scope for economy under the various heads of expenditure which have shown the rising trend in the years 1952-54. *Prima facie* it would seem that there is scope for economy under all the heads in view of the fact that the charges incurred by the Indian concern are considerably less than those incurred by the Non-Indian packing firms. In Appendix XIX is shown the gross profit of the 3 firms for the years 1950-53 in their tea packing and tea distribution trade. The profits in the case of the Non-Indian firms are quite substantial. If blenders reduce their overheads and also reduce their quantum of profits, at least in respect of the popular grades, it will give a fillip to increased consumption of tea internally which is very necessary to bring stability to the industry.

Prices of dust blends sold in the internal market

15. Although exact figures are not available about the various grades of packaged tea consumed internally, the bulk of it is the dust grade. The table below shows the average price per lb. charged by the 3 blending firms for their dust blends during 1954-55.

TABLE LII

(Figures in cols 2 & 3 are in Rs. per lbs.)

Name of Companies	Average price	
	1954	1955
	2	3
A	2-12-6	3-3-3 (Kora)
B	2-13-4	3-3-6 (Tea Girl)
C	2-14-8	3-4-2 (Bivora Dust)

The prices are high and they need to be reduced if internal consumption is to increase.

Fair price to consumer—recommended

16. The data given in the chapter on Consumption and Exports indicate that the overall consumption of tea compared to production and the per capita consumption are low. An assured and stable home market for a significant portion of the industry's out-put is, however, the best insurance against slump and fluctuations of the foreign markets. To secure stability it is necessary that dust tea which is the grade consumed internally in the largest quantity is made available to the consumer at fair price. This can best be achieved if the Tea Board gives the lead.

Tea Board to arrange for packing and distribution

17. The Tea Board should make arrangements for packaging and distribution under their own distinguishing labels, 50% of the quantity of dust tea now packaged and sold in India, in small packages in economy packing not exceeding 1 lb. in weight. Arrangement for blending and packing the tea could be made with the existing large packaging and blending firms who may have surplus capacity or whose capacity will be rendered surplus hereafter as a result of the implementations of our recommendation for fixing ceilings on production of packaged tea by individual firms. The arrangements with the packaging firms in this regard may be made on lines somewhat similar to what exists in the rubber tyre, electric bulb manufacturing, soap and other industries where one factory makes products conforming to specifications of more than one company for being marketed by the respective companies. The tea required for distribution by the Tea Board may be purchased in the normal way in the auctions. It may even be purchased by blending firms on behalf of the Tea Board for which they may be paid a small commission. For packaging, the firms can be paid the actual cost and a small margin to cover essential incidentals and an element of profit. Distribution of the tea can be done by the Tea Board through their tea houses as well as by ordinary commercial channels. Although the tea required for blending may be purchased in the auctions it will be priced to the consumer only at slightly above the average cost of production. The difference between this price and the average at which their purchases are made in auctions will be charged on exporters who will bear it in proportion to their exports. The amount may be collected from exporters in the same manner as the Tea Cess. The rate at which it has to be collected may be estimated per 100 lbs. of tea at the beginning of each half year taking into account all relevant factors. Any short or excess recovery that may result in a half year, may be carried forward for adjustment in the next half year. Further details may be left to be worked out when the scheme will be given effect to.

Ceilings in production and distribution necessary.

18. It is also desirable to make the distribution branch of the tea trade more broad based and to promote a greater participation of the nationals of the country in it. If our recommendation to abolish the differential excise duty on packaged tea is accepted, with increasing urbanisation and rising standards of living, consumption of packaged tea may be expected to go up. The small blending and packing concerns in the field will, however, find it difficult to take advantage of this rising demand and expand their activities in competition with the concerns with large resources already well established in the field. We, therefore, recommend that the Tea Board should make a special investigation regarding the difficulties under which the smaller packaging firms are suffering so that positive steps may be taken to increase their competitive capacity. Apart from such measures, to render competition more equal and to increase the number of stable units in this field it is desirable to fix ceilings on the production of existing

concerns as well as the units that may be established hereafter at the average of the last 3 years production or 6 million lbs., whichever is more. Without such a step any action to achieve an increasing share in tea packing and distribution trade by the nationals of the country may not produce satisfactory results. The ceilings may be revised periodically after the small units are well established with a view to ensuring that eventually no single unit gets an unduly large share of the trade. We also recommend that Blenders Co-operatives should be organised and promoted in every way. They should receive the assistance of Government in regard to funds, technical assistance and other cognate matters. The Tea Board should also give every assistance to Central Co-operative Stores, Railway Stores and Industrial establishments to start their own blending sectors.

19. In the matter of the retail marketing of tea one important aspect which needs consideration is the question of prevention of adulteration. Adulteration might take the form of admixture of good quality tea with inferior tea or tea waste which are the by-product of tea manufacture or admixture of material which is not tea at all. Apart from possible injury to health as a result of adulteration the fact that quality is affected by it will naturally retard consumption and affect the industry adversely. Prevention of adulteration of tea is of course part of the much larger question of the prevention of adulteration of articles of food. When considering the primary marketing of tea by auction we have already observed that the general practice is to draw samples and distribute them to prospective buyers. Buyers bid on the basis of the samples they have seen and examined and naturally expect that the teas bought by them will conform to the samples. There is machinery for arbitration provided by the trade to settle disputes, should they arise between buyer and seller, regarding the question whether the tea sold conforms to the sample. Such disputes, we understand, are rare. Adulteration of tea does not exist to any significant extent up to the stage of primary sales.

Problem of Adulteration of tea

20. It is, however, the general impression that in the retail sale of tea of evil of adulteration is fairly wide-spread. Where teas are sold packaged under their own brand names by the more reputable dealers who are zealous about the reputation of their wares, there is little risk of fraudulent adulteration; but when tea is sold by unscrupulous dealers especially in loose form, the risk is greater. The objective should, therefore, be to ensure that tea is vended only in packaged form, within the shortest possible time. This should be planned according to the capacity of Indian concerns to expand the production and sale of packaged tea.

21. From the replies received from State Governments and the Tea Board, it appears that the more common forms of adulteration of tea are by the addition of roasted foreign leaves (*e.g.* Avari) or husks resembling black tea in appearance, or tannery wastes, or spent tea leaves (*i.e.* tea leaves which have already been used for preparing beverage

tea) treated with chemicals to give colour to the liquor. Cases involving adulteration of tea were, like other cases of adulteration of food articles, dealt with till recently by the State and Municipal Health authorities under the Food Laws in force in the different States. The laws themselves had been applied in many States only to urban and semi-urban areas; even in the areas to which the laws have been applied considering the very extensive field to be covered, the machinery for enforcement of the Food Laws was hardly adequate. There is, therefore, no comprehensive information regarding the extent of adulteration which prevails in the country. Out of 289 samples collected in the year 1954 with assistance of the Tea Board's staff, analysis showed that 224 were adulterated. In Annexure LXXX are given details regarding these samples.

22. Under the Food Laws applicable to the different States, different standards had previously been laid down for tea. The legal position is now changed. The Prevention of Food Adulteration Act, 1954, which is a Central Act, now applies to the whole country except Jammu and Kashmir. It is well known that the enforcement of Food Laws is fraught with difficulties and the success of the legal measures will naturally depend upon the adequacy of the enforcement machinery which the State Governments can provide. We hope that the administration of the Food Laws will be pursued with vigour by the administrative authorities concerned. In the last analysis, the best preventive against food adulteration is an adequate supply of the food article in question at reasonable prices. Educative propaganda conducted by the Tea Board as part of its tea promotion campaign to educate the general public to a greater appreciation of goods tea will also be of use in this connection.

23. The Tea Board and some important producers' Associations have suggested that provision should be made for control of the disposal of tea waste which is a by-product of tea manufacture. Tea waste is used as a raw material by chemical manufacturers for the manufacture of caffeine. It is also sometimes fraudulently used for the adulteration of tea. The proposed control over the disposal of tea waste is intended to prevent the use of tea waste as an adulterant for tea. We understand that the matter is under the consideration of Government. As one of the measures that will help to minimise the evil of adulteration we recommend that the Tea Waste Rules should be promulgated and enforced at an early date.

CHAPTER XIII

CONSUMPTION AND EXPORT

Place of tea in international commerce.

Tea is an important article of international commerce. Most of the important tea producing countries of the world namely, India, Ceylon, Indonesia and East Africa export the major part of their tea to other countries which do not grow tea, but which are the principal consumers of tea. But China which is an important producer consumes most of the tea she produces. Statistics in regard to current production in that country are not, however, available.

Trends of world demand of tea

2. A study of the statistics of imports of tea into the non-producing countries of the world will give an indication of the trend of world demand. The Table below shows for the year 1954 the total imports of tea in each of the principal non-producing consuming countries, the quantities of Indian tea imported in the same years by the countries concerned and the percentage of the latter to the former. In Annexure LXXXI is given the figures for the period from 1947 to 1954.

TABLE XLIX

Table showing quantities of tea imported by the principal non-producing countries and the proportions of Indian tea in the imports in the year 1954

(Figures in cols. 2 & 3 in thousand lbs.)

Name of importing country	Quantity imported in 1954	Quantity imported from In- dia during 1954	Percent- age of 3 to 2
1	2	3	4
United Kingdom	542,400	321,677	59.3
Irish Republic	25,808	23,324	90.0
U. S. A.	114,701	39,909	34.8
Canada	44,422	19,831	44.6
Egypt	35,932	7,391	20.6
Australia	58,532	3,047	5.2
Iran	7,328	6,626	90.4

A marketing and tea promotion directorate in Tea Board recommended

3. In the world exports of tea, India's contribution is very considerable. In the five-year period ending 1954, Indian exports amounted to 45·1% of the total exports from all the producing countries. The two countries taking the largest amounts of Indian teas are the U.K. and U.S.A. India supplied 61·6% of the tea imported by the U.K. in the quinquennium ending 1954 and 36% of the U.S. import in the same period.

The U.K. is by far the largest market for Indian tea followed by U.S.A., Irish Republic, Canada, Egypt, Iran and the Middle East and Australia. These countries should receive the continuous attention of the Tea Board, for expansion of the market for Indian Tea. Market expansion needs special study. In order that market expansion may be guided properly and effectively there should be a marketing and tea promotion directorate in the Tea Board which will make studies of various marketing problems in India and abroad. This section should also be responsible for supervision of the scheme of distribution of tea by the Tea Board, which we have recommended elsewhere.

Fair price to overseas consumer—not possible for us to prescribe.

4. We have been asked in the terms of reference to make recommendations among other things to secure to the consumer a fair price for the tea he buys. So far as the Indian consumer is concerned we have made a number of recommendations in the chapter on Marketing of Tea—Retail distribution in India, which if implemented will enable a very large section of the consumers to get good tea at a reasonable price. For the overseas consumer it is not possible to prescribe similar measures because the prices at which the overseas consumer will get tea, are subjected to a number of imponderables and factors like the commercial and fiscal policies of the governments of the various importing countries. The bulk of exports are to the U.K. As London is also one of the important centres of tea auctions, this factor by itself will, to a certain extent, be a check in regulating the retail distribution price of tea in U.K.

Incidence of freight charges

5. There are, however, certain charges which considered separately are not very significant in relation to the price of the commodity but if added together make a significant increase in the price of the consumer of the importing countries. They are shipping, insurance etc. Anything done to reduce the weight of their incidence will help to cheapen the price of the commodity to the overseas consumer. An important producers' Association* has complained of high freight

NOTE. —“Despite the discouraging nature of this reply, the Association made a further attempt to secure such a reduction in freight rates and pointed out that the position of the industry was such that every measure of economy, no matter how small, had to be considered, but the Lines were still unwilling to make any reduction in the rate of freights.” (Indian Tea Association Report 1952.)

rates charged by shipping companies. The question of reduction of freight charges should be taken up by Government. The Reserve Bank's survey of freight charges as related to the f. o. b. value of exports in respect of shipments from Calcutta to Sterling area and other soft currency countries for the year 1949 showed that the freight charges to the Sterling area amounted to 5.20% of the value and to other soft currency areas it worked out to 4.73%. Calculating the Calcutta auction export price of a lb. at Rs. 2, the freight charge amounted to Rs. 10/4/- per 100 lbs. A reduction in freight charges will be a gain to the buyers and producers.

Marine insurance

6. Marine insurance charges also were stated to be high. The Reserve Bank's survey of marine insurance charges as related to the f.o.b. value of exports in respect of exports from Calcutta to Sterling areas and other soft currency countries for the year 1949 showed that marine insurance charges formed 2.5% of the value of exports for Sterling area. Calculating at Rs. 2 per lb. the charges amounted to Rs. 5 per 100 lbs.

Quantity and value of exports

7. We have already observed in an earlier chapter how important tea exports are to our national economy as an earner of foreign exchange. Table below shows the quantities exported and the value of the exports in rupees to different countries in the year 1954-55. Annexure LXXXII gives similar information for the 5 years ending 1954-55.

TABLE L

Table showing quantities and value of tea exported from India to various destinations in the year 1954-55

Name of destination	Quantity (ooo' lbs.)	Value in Rs. (Lakhs)
By SEA :		
<i>Black Tea.—</i>		
United Kingdom	330,662	1,02,22
Irish Republic	23,243	7,34
Germany Western	2,551	1,05
Netherlands	3,669	1,38
Turkey	2,084	84
Aden	591	20
Bahrein Islands	2,473	90
Iraq	904	29
Kuwait	2,493	97
Iran	7,099	3,48
Mascot and Oman	129	4
Quarter and Truical Oman	845	32
Saudi Arabia	560	21
Burma	633	26

TABLE L—*contd.*

Name of destination	Quantity ('000 lbs.)	Value in Rs. (Lakhs)
Pakistan	146	
Ceylon . . . . .	...
Egypt	9,471	3.51
Tunis	5.0	9
Anglo-Egyptian Sudan	4,936	1.29
Canada	20,280	7.39
U. S. A.	30,392	10.41
Argentina . . . . .	...	...
Chile	1,201	52
Australia	7,932	2.76
New Zealand	1,336	51
Others	1,332	50
<i>Green Tea</i>	13	0.4
By LAND :—		
<i>Black Tea</i>	13	0.4
<i>Green Tea</i>	2,307	52
TOTAL	158,253	1,47,06.0

SOURCE:— Monthly accounts relating to Sea borne Trade of India.

Consumption of tea in producing and consuming countries of the world

8. In addition to the consumption by non-producing countries, the picture of world demand or consumption will not be complete without the figures of domestic consumption in the producing countries. Exact figures for this are not available, but the table below shows the estimated world consumption of tea during the years 1947 to 1954.

TABLE LI

Table showing figures of world consumption of tea

(in million lbs.)

Year	Consumption
1947	1,059
1948	1,077
1949	1,196
1950	1,194
1951	1,289
1952	1,379
1953	1,321
1954	1,423

NOTE :—The figures do not include consumption of own production of China and U.S.S.R for which figures are not available, but include imports into those countries.

SOURCE.—International Tea Committee's Bulletin of Statistics.

Internal consumption in India.

9. As far as internal consumption in India is concerned, there are no exact figures available till 1953-54 since which year the Tea Board has been attempting to compute actual consumption figures taking into consideration production, exports and internal stocks. For the years prior to 1953-54 what are available are only figures representing annual production minus exports, these being the quantities available for internal consumption in each year. These are not necessarily the quantities actually consumed within each year as unconsumed stocks brought over from the previous year and carried over to the next have not been ascertained. The table below shows for each of the years 1942-43 to 1953-54 the figures thus calculated of tea available for internal consumption in each year and the 5 years' moving average of the same for those years. Table LII also shows for the years 1953-54 and 1954-55 the quantity consumed within the country as estimated by the Tea Board.

TABLE LII

Table showing quantities of tea available for consumption in India from 1942-43 to 1953-54

Year	Available for con- sumption (in million lbs.)	5 years moving average (in million lbs.)
1	2	3
1942-43	235	141
1943-44	146	150
1944-45	100	180
1945-46	159	166
1946-47	260	168
1947-48	163	176
1948-49	159	178
1949-50	141	167
1950-51	171	172
1951-52	201	168
1952-53	187	...
1953-54	176.6	...
1954-55	180 (Provisional)	...

SOURCE.—Tea Board.

Per capita consumption—in some of the importing countries.

10. Though the figure of total annual consumption in the country considered by itself is substantial, the per capita consumption in India is very small. The figures in the two following tables are instructive.

TABLE LIII

Table showing total and per capita consumption of tea in importing countries in 1954

Country	Total consumption (in million lbs.)	Consump- tion per capita (in lbs.)
1	2	3
U. K.	504	9.9
U. S. A.	114	0.7
Canada	44	3.0
Australia	60	6.8
New Zealand	15	7.5
Egypt	36	1.6

TABLE LIV

Table showing total and per capita consumption of tea in the important producing countries for the year 1954

Country	Total consump- tion (in million lbs.)	Consump- tion per capita (in lbs.)
1	2	3
India	180	0.49
*Ceylon	14	1.77
*Pakistan	31	N. A.
*Indonesia	15	0.19

NOTE :—*Data relates to the year 1952.
N.A.—Not available.

In Annexure LXXXIII figures of per capita consumption are given for the 5 years from 1950. The per capita consumption of tea in the important tea consuming countries like the U.K., Australia and New

Zealand with standards of living which are much higher than in India, is 20, 14 and 15 times that of India. (The U.S.A. is mainly a coffee drinking country and hence the low per capita consumption). It will, however, be seen that even in Egypt and Ceylon, where living standards are more comparable with Indian conditions, the per capita consumption is more than double that India.

In India

11. One pound of tea is said to yield about 160 cups of tea. On this assumption, the consumption of tea in India is less than a quarter of tea cup per head per day. From the studies on the Family Budgets of certain groups of working class and middle class families published by the Labour Bureau, it is seen that the expenditure on tea formed roughly 1% of their family income. With the increase in National Income by about 25% looked for by the end of the second Five Year Plan, it is not too much to expect tea consumption also to register a corresponding increase. The Tea Board's propaganda work will also give a fillip in the direction of increased consumption.

Consumption potential in India — great

12. Another factor which is likely to help increased consumption of tea is extension of prohibition of alcoholic liquors. In a report from the Collector of Central Excise, Madras, to the Central Board of Revenue it is stated that tea consumption in Madras has shown a decided increase as a result of the introduction of prohibition. In the absence of country liquor, working classes have taken to tea drinking as an alternative. Although no specific data are available on this point, the inference appears to be highly plausible. The great potentialities of the internal market for the Indian Tea industry are thus obvious and there is no doubt that both the industry and the Tea Board should make every effort to develop the internal market and increase internal demand. The external market has also to be fostered. We have already seen what an important part tea plays in earning the much needed foreign exchange for the country and efforts to promote the consumption of our tea in foreign countries should also continue with undiminished vigour.

CHAPTER XIV

PROFITS AND THEIR ALLOCATION

Introductory—coverage of the analysis

1. In this chapter we shall examine the results of working of tea companies. An analysis of the profit and loss accounts of tea companies, will give an indication of the general profitability of the industry and of the financial policies followed by the Corporate Section of the industry. Though a very large number of companies furnished copies of their balance sheets and profit and loss accounts, only 247 companies furnished them for all the year 1939, 1946 and 1950-53. The planted area covered by the 247 companies is 3·71 lakhs acres or roughly 50% of the total acreage under tea. For the year 1954, however, copies of the balance sheets and profit and loss accounts were received only for a smaller number and the analysis for that year, therefore, covers only 123 companies. In the majority of cases the accounting period of the companies coincided with the calendar year. In other cases where the accounting period of a company ended on or before 30th June, the figures have been taken as pertaining to the preceding calendar year and where the accounting period ended after 30th June, the figures have been taken to be those of the same calendar year.

Gross profits, Net etc.—defined

2. Net profits have been taken to include the sum of the provisions for taxation amounts distributed as dividends, amounts transferred to reserves and the net increase in the balance of profit carried forward. Gross profits include net profits as mentioned above plus interest charges, commission paid to managers, managing agents, special remuneration to directors, donations and charity. Gross and net profits are both arrived at after allowing for depreciation charges. 'Other income' derived by the companies from sources other than the sale of their crop e.g. income from investments, is also included in profits. The profits of these companies and their allocation have been analysed and the results are summarised in annexure LXXXIV. Gross profits and the allocation of net profits for all the companies taken together for the years mentioned are shown in table LV. In Annexure LXXXV are given fuller details of these particulars.

TABLE LV

Table showing Net Profits and their allocations[Column 3 in thousand acres.
Columns 5 to 12 in thousands of Rs.]

Year	1	2	3	4	5	6	7	8	9	10	11	12		
		Number of Companies	Area covered (Planted acreage)	Production in million lbs.	Gross Profits (including other Income)	Net profits be- fore taxa- tion	Provision for taxation	Net profits af- ter taxa- tion	Dividends	Transfer- red to Reserves	Net increase in balance carried forward	Total Retained Profits 10+11		
1939	.	.	.	247	3,82	246.91	4,74,97	4,10,08	1,14,61	2,95,47	1,55,29	56,37	83,81	1,40,18
1946	.	.	.	247	3,69	281.56	11,16,48	10,02,20	4,27,26	5,74,94	3,04,84	1,92,97	77,13	2,70,10
1950	.	.	.	247	3,75	319.77	15,63,64	13,40,48	6,50,14	6,90,34	3,10,43	2,75,09	1,04,82	3,79,91
1951	.	.	.	247	3,77	328.62	7,56,50	5,77,08	3,68,10	2,08,98	2,35,50	88,36	-1,14,89	-26,53
1952	.	.	.	247	3,75	314.58	57,97	-1,07,13	1,68,70	-2,75,83	1,20,52	-1,09,28	-2,87,07	-3,96,35
1953	.	.	.	247	3,71	325.07	21,08,84	18,05,71	6,98,01	11,07,70	3,05,59	3,95,75	4,06,36	8,02,11
1954	.	.	.	123	1,96	144.96	22,98,55	20,25,79	8,46,51	11,79,28	4,04,23	5,93,92	1,81,13	7,75,05

SOURCE.—Balance Sheets and P. & L. Accounts of the Companies.

Gross profits—general trend

3. The total gross profits of the 247 companies (covering nearly 50% of the total tea acreage) including 'other income' rose from Rs. 4.75 crores in 1939 to Rs. 11.16 crores in 1946 and Rs. 15.64 crores in 1950. In 1951 it fell to Rs. 7.56 crores; in the year 1952 when most of the companies registered losses, the total gross profit for the 247 companies was only Rs. 58 lakhs. In 1953, however, the total gross profits rose to Rs. 21.09 crores. In 1954 the gross profits of a smaller number of companies analysed, namely 123, amounted to Rs. 22.98 crores as against Rs. 21.09 crores for the 247 companies in 1953 *vide* Annexure LXXXIV (statement 1).*

—related to gross sale

4. Gross profit† related to gross sale was 31.01% in 1953 for 247 companies and 50.23% in 1954 for 123 companies. It was high for Public limited Indian companies outside managing agency control, being 44.57% and 70.24%, respectively in the years 1953 and 1954; it was low for Sterling companies being only 27.74% and 47.05 respectively. The gross profits of the other categories of companies ranged between 28 and 59% of gross sale in 1953 and 1954 as will be seen from statement 2 of Annexure LXXXIV. It has to be mentioned that 1953 and 1954 were exceptional years of prosperity for the industry.

—related to total capital employed

5. Generally speaking the ratio of gross profit to total capital employed in the Tea planting industry has been high. The figures for the companies analysed are shown below grouped according to types of ownership and management. Figures for the years 1939 to 1954 are given in statement 3.

TABLE LVI

Table showing gross profit‡ as percentage of capital employed

Type of Company	1946	1953	1954
Sterling Company	18.7	22.4	29.0
<i>Non-Indian Managing Agents Control :</i>			
Rupee Non-Indian	21.8	24.7	31.8
Rupee Partly Indian	23.0	27.9	42.0

* Statements 1 to 20 referred to in the chapter are the statements given under Annexure LXXXIV.

†The figures of gross profit related to gross sale given in the report of the Taxation Enquiry Commission and in the Reserve Bank Bulletin July, 1955, showed a return of 29 and 33.4% respectively for 1950. The Taxation Enquiry Commission's report showed a return of 46% for 1946. Even in 1951 when the percentage was only 17 per cent, it was higher than in 14 other industries according to the figures in the Taxation Enquiry Commission's report.

‡Note appears at the end of the next page.

TABLE LVI—*contd.*

Type of Company	1946	1953	1954
<i>Indian Managing Agents Control :</i>			
Rupee Indian	22·1	25·8	38·3
Rupee Partly Indian	19·0	23·8	45·7
<i>Directors Controlled :</i>			
Rupee Public Ltd.	25·0	28·4	37·3
Rupee Private Ltd.	9·5	24·2	...
TOTAL	19·9	23·8	32·2

The above figures show that comparatively, Sterling companies made a lower percentage of profit on capital employed than companies under Non-Indian and Indian managing agencies. Director controlled Public limited Indian companies generally showed a high percentage of profit on capital employed.

Commission—to Managing Agents and Directors.

6. As regards commission to managing agents and directors, figures relating to Sterling companies given in statements 4 and 5 of Annexure LXXXIV include commission paid to their Calcutta and London agents and special remuneration paid to directors. The figures relating to Indian Rupee companies outside managing agency control include commission paid to their directors and certain commission called "agency commission" charged to Revenue Account under head Office expenditure. Such agency commissions are generally paid as a percentage on sales. From 1939 and 1946 and thereafter to 1950 the managing agency and directors' remuneration rose with the profits but when the profits fell drastically in 1951 and 1952, the fall in their remuneration was not so steep. In 1950 and 1953 the remuneration paid to managing agents and directors by both Sterling and Rupee managed companies ranged between 8·4*% and

‡The tables given at p. 122 of the Taxation Enquiry Commission's report (Vol. I.) showed that excluding Match industry, tea plantations topped all the 17 industries examined in the matter of percentage of profits on capital employed. It was 18·4 in 1950 as against an average of 8·8 for all industries. It was 19·9 in 1946 as compared to an average of 14·4 for all industries.

The analysis given in the article on Company Finances in India 1950-52, in the July 1955 issue of the Reserve Bank Bulletin showed profit percentage to be 18·5 in 1950, 10·8 in 1951, and 1·5 in 1952. The last one was a crisis year. For all the three years it was 10·2, i. e., 1·1% more than the average for all the industries for the 3 years 1950-52 covered by the review. Commenting on this high profits even in crisis years, the article said that "other groups having high margin of profit on sales were Iron and Steel, Cement, Tea plantations, Sugar, Shippings, and land and Estates".

*According to the figures at page 320 of the report of the Taxation Enquiry Commission, the remuneration rose from year to year in relation to gross profits minus depreciation and interest charges from 9·09 in 1946 to 13·8 and 15·90 in 1948 and 1950. The average for 1946-51 was 12%. According to the article in July 1955 issue of the Reserve Bank Bulletin it was 13·87% for three years ending June 1952 (which included a crisis year).

13·3% of gross profits, but in the years 1951 and 1952 the percentages were much higher. This is because remuneration to managing agents is based partly on a percentage on gross sales and partly on a percentage of profits, a specified minimum in each case also being sometimes prescribed. This results in substantial payments having to be made as managing agency commission even when profits are low or non-existent as in 1951 and 1952. Such a situation will be corrected to some extent in respect of companies registered in India as remuneration to managing agents in this type of companies will hereafter be regulated under the relevant provisions of the new Companies Act.

—Managers and senior staff

7. The managers and senior staff are also in most cases paid commissions based on profits. The commissions paid to them and the percentages of the commission to gross profits are shown in statements 6 and 7 of Annexure LXXXIV. Percentage of commission to staff in relation to gross profits increased steadily between 1950 and 1954 in Sterling companies, 1952 being a year in which most companies showed losses, the figures for that year are somewhat erratic and may be ignored for this review. The percentage of commission which was 2·83 in 1950 rose to 3·31 in 1953 and further to 5·95 in 1954. In 1950, 1953 and 1954 it was about 5% in Non-Indian companies under Non-Indian managing agency, while in the case of Indian companies it amounted to 0·31%, 0·93% and 0·55%.

Interest charges

8. As regards interest charges shown in statement 8 of Annexure LXXXIV, the steep rise from Rs. 6·51 lakhs in 1946 to Rs. 61·17 lakhs in 1953 is indicative of the fact that tea companies resorted to banks and other agencies for their finance to a greater extent than previously. In 1952 for companies which sustained losses, the interest charges were a heavy burden and for the 247 companies taken as a whole the total interest charges of Rs. 57·33 lakhs almost equalled the total of their gross profits of Rs. 58·1 lakhs. In 1953 and 1954, however, the interest charges expressed as percentage of gross profits (*vide* statement 9) for the companies analysed worked out only to 2·9% and 0·71% respectively.

The percentage of interest charges in relation to gross profits paid by Sterling companies rose from 1·29 in 1950 to 3·01 in 1953. In the case of Non-Indian Rupee companies it rose from 3·4% in 1950 to 4·34% in 1953. In the case of Indian companies it rose from 2·65% in 1950 to 2·88% in 1953. In the case of Director controlled Public Limited Indian companies it declined from 2·95% to 2·22% as between 1950 and 1953. In 1954 interest charges decreased for all types of companies.

Net profit before tax—general trend

9. Statement 10 which gives the overall position shows that net profits before tax rose from Rs. 4.10 crores in 1939 to Rs. 13.4 crores in 1950 and then dropped to Rs. 5.77 crores in 1951. A loss was registered in 1952. Profits sharply rose to Rs. 18.06 crores in 1953. In 1954 the 123 companies analysed (having a total production of 145 million lbs. of tea) recorded a net profit (before tax) of Rs. 20.26 crores as against a profit of Rs. 18.06 crores in 1953 registered by twice the number of companies.

—related to paid-up capital

10. The percentage* of net profit before tax to paid-up capital in 1946 (Statement 19) was the lowest for Sterling companies. For Non-Indian Rupee companies it was slightly higher, Indian companies higher still, and Director controlled Public Limited companies highest. The average was 40.7% in 1946, 62.9% in 1953 and 121.2% in 1954.

Net profit after tax—related to net worth

11. The percentage† of net profit after deducting provision for taxation to net worth (*i.e.* paid-up capital plus reserves other than taxation and depreciation reserves) worked out to 8.3, 14 and 20.4 respectively in the years 1939, 1946 and 1953. For the 123 companies in 1954 it was 27% (*vide* statement 18).

Profits—analysis region-wise

12. An analysis of net profit per acre region-wise will be found in Annexure LXXXVI. The figures bring out the fact that Cachar, Darjeeling and Tripura are generally regions where the profit per acre is less than for those in other regions.

This trend in the industry has been found over a series of years as will be seen from Annexure LXXXVII which gives figures since 1933.

The figures in Annexure LXXXVII also show that in Assam while production costs have increased to over three and half times between 1933 and 1953, profits have increased only to a little over

*According to the figures in the Taxation Enquiry Commission's report for the 77 companies analysed it was 28.2, 33.9, 20.9, 22.2, 35.1, 20.7 and nil respectively for the years 1946 to 1952.

†According to figures of the Taxation Enquiry Commission's report the following was the percentage of net profit after tax to net worth.

1946	1947	1948	1949	1950	1951	Total
17.4	20.5	11.4	12.0	17.9	10.4	14.5

A comparative study of the percentages of profits after taxation to net worth for the years 1946-51 of plantations and other industries made by the Taxation Enquiry Commission revealed that next to Matches, Plantation showed the largest percentage of profit.

twice. In Dooars and Terai, while profits have increased to nearly three times, costs are a little less than twice what they were in 1933. In Darjeeling, while costs have increased to three times, profits are only a little over twice. In Cachar, the increases in profits have kept pace with increase in costs, both having shown increases to nearly three times.

Net profits after tax per lb.—management-wise analysis

13. The figures of net profits of companies after tax have been calculated per lb.* and are shown in Annexure LXXXVIII. Between 1939 and 1946, the profits of Sterling companies rose by 0·8 annas per lb. Profits of companies under Non-Indian managing agencies rose by 1·6 to 2 annas. Profits of companies under Indian managing agencies rose by 2·24 annas. Profits of Public limited Indian Rupee companies rose by 2·88 annas. During the years 1946 to 1953 the profits of Sterling companies rose by 1·6 annas per lb. Profits of companies under Non-Indian managing agencies rose by 2·88 to 3·68 annas per lb. The profits of companies under Indian Management rose by 5·28 annas for Indian companies and by 2·24 annas for partly Non-Indian companies. The profits of Director controlled Public Limited Indian companies rose by 3·84 annas per lb.

14. The above figures show that increase in profit was higher between 1946 and 1953 as compared to the period between 1939-46. Also Indian companies show a higher increase in profits than Sterling and Non-Indian companies. The comparatively high profits of Indian concerns cannot be attributed to the realisation of a higher price per lb., as foreign companies got an equal, if not a higher, price for their sales. It can only be explained by the high production costs of Sterling and Rupee Non-Indian companies.

Dividends—general trend

15. Distributed profits showed a more steady trend compared to the trend of profits, with the result that with the fall in the quantum of profits, the proportion of retained profits decreased to a greater degree (*vide* statements 11 and 12). In the year 1951 when the net profit after deducting provision for taxation for all companies analysed was only Rs. 2·09 crores (*vide* statement 13), the profits distributed as dividends amounted to Rs. 2·35 crores involving a drain on reserves to the extent of Rs. 26 lakhs. In 1952, a year of heavy losses all round, when the net profit after deducting provision for taxation was a minus figure of Rs. 2·76 crores, an amount of Rs. 1·20 crores was distributed as dividends involving heavy withdrawals. Withdrawals for payment of dividend have been found to be made not only from general reserves but also from specific reserves like the Building and Machinery Reserve. We consider that withdrawals from reserves other than Dividend Equilisation Reserve for the purpose of declaring dividends is unsound and should cease.

NOTE:—*In South India the figures furnished by United Tea Planters Association for 46 tea companies for the years 1946-52 reveal that profit per lb. has been fairly steady ranging between As. 7 to As. 10.

16. Statements 14 and 15 show the percentage of distributed profit and retained profit respectively to net profit after providing for taxation. The percentage of retained profit in 1939 and 1946 was 47·4% and 46·9% respectively. The percentage of distributed profit was accordingly 52·6% and 53·1% respectively. In 1950 retained profit was 55% of profit after taxation. The percentage of distributed profit to net profit after providing for taxation was lower and the percentage of retained profit higher in 1953 than in other years indicating thereby that the losses incurred in previous years were adjusted before declaring dividends. In 1954 also the proportion of profits retained was relatively high. Rupee companies under foreign managing agencies have made a greater distribution of profits after tax, than those under Indian agencies as seen from the table below:—

TABLE LVII

Table showing distributed profits as percentage of profits after tax*

	1939	1946	1950	1953	1954
Non-Indian companies under Non-Indian Managing Agency .	64·8	72·8	67·1	29·0	46·1
Indian companies under Indian Managing Agency	2·1	18·4	28·1	7·7	9·1
Public Ltd. Indian (Director controlled)	37·7	39·6	32·8	18·7	13·9

Dividends—related to paid-up capital

17. The percentages of distributed profits to paid-up capital for all the 247 companies for the years 1939, 1946 and 1953 were 6·4, 12·4 and 10·7 respectively and for 123 companies in 1954 it was 24·2% (*vide* statement 16). Percentages of distributed profits to paid-up capital in the various types of companies were as follows:—

Sterling companies paid 9%, 8·9% and 19·3% as dividend on Share capital in the years 1946, 1953 and 1954. Taking companies under managing agencies, Non-Indian Rupee companies paid 25·4%, 15·4% and 32·8% while Indian companies paid 12·4%, 3·9% and 9·4% in these years. Indian Public Limited companies managed by Directors paid 28·6%, 10·3% and 15·4% in the respective years.

NOTE:—*The figures for 77 Rupee companies given by the Taxation Enquiry Commission for the years 1946-51 showed the percentage of distributed profit to profit after tax as 71, 61·4, 70·5, 75·5, 64·6, and 75·4. The average percentage was 68·7. For all industries during this period it amounted to 55·8, 62·0, 48·8, 77·58·9, and 52·8. The average for all industries was 57·7%. The report said that “during the period as a whole the industries which distributed a significantly larger than average proportion of profits and accordingly retained appreciably less than the average percentage of profits included Jute, Textiles, Electricity, Shipping, Tea and other plantations”.

After commenting about growth of reserves in certain industries, the article in Reserve Bank Bulletin said “on the other hand tea companies generally drew on their reserves. Dividend had also to be paid in loss years on bonus shares which were floated during 1951 and 1952”.

Dividends—Frequency Distribution

18. The table below shows the frequency distribution of dividend expressed as percentages of the face value of the ordinary share. It shows that the percentage of companies which paid a dividend between 20 and 39% was greater in the Sterling and Rupee Non-Indian group than in the Indian group.

TABLE LVIII

Percentage of dividend on face value of ordinary shares.

(Frequency Distribution)

(in No. of Companies)

Type of ownership/ Management	Total No. of Cos.	Nil.		Below 10%		10-19%		20-39%		40% and above	
		1946	1953	1946	1953	1946	1953	1946	1953	1946	1953
Sterling Companies	95	3	19	27	12	23	30	37	29	5	5
Non-Indian Managing Agents	76	1	22	13	5	21	12	23	34	18	3
Indian Managing Agents	30	5	7	9	6	3	7	6	8	7	2
Rupee Public Ltd. Company (Indian)	43	2	5	1	7	6	11	10	14	24	6

SOURCE :—Returns received from Companies

NOTES :—According to figures furnished by the Indian Tea Association to the Committee on finance for private sector (Shroff Committee) in respect of about 122 Rupee companies for the years 1928-52 it is seen that average dividend on share capital works out to 13.36%.

At the end of 1953 the following was the position of foreign investments in the plantation industries and the amount payable abroad as investment income as revealed by the recent Survey of India's foreign liabilities.

I. Branches of foreign firms and Companies. (Direct foreign investment.)	Profits Dividends and interests on Debentures.		Percentage of 2 to 1.	
(1)	(2)		(3)	
Crores 63.87	Crores 12.83		20.1	
II. Portfolio obligations of Joint stock Companies. (equity capital.)	Equity Value of ordinary shares (controlled) Joint Stock Companies.	Total (1 & 2)	Dividends on shares	Percentage of 4 to 3
(1)	(2)	(3)	(4)	(5)
Crores	Crores	Crores	Crores	
4.34	0.87	5.21	0.66	12.67

Analysis of profits according to categories of ownership

19. The results of the analysis in respect of companies under different types of management are briefly summarised below:—

(a) Sterling companies

Distributed profit expressed as percentage of profit after taxation was far higher in Sterling companies in 1953 than in Indian companies though it was less than that in Non-Indian Rupee companies. It formed 27.5% and 35.3% of profits after taxation in 1953 and 1954 respectively. The corresponding figures for Indian companies ranged between 7.7% and 18.7% (*vide* statement 14). Sterling companies invested more in specific reserves than Indian companies. They made comparatively less profits; but they distributed a larger percentage of their profits as dividends than Indian companies.

(b) Rupee companies under Non-Indian Managing Agencies

Rupee companies whether Non-Indian or partly Indian under Non-Indian managing agencies, may be considered together for the “non-loss” years 1950, 1953 and 1954. They made more profits per acre than Sterling companies but nearly the same as Indian-managed companies except in 1954, when Indian companies made 15% more profit than Non-Indian companies. They distributed, however, more profits as dividends (about double in 1954) than companies under Indian management (*vide* statement 14). They also put by a larger percentage of profit under specific reserves than companies under Indian management and Sterling companies, whereas Indian companies carried forward a larger percentage as balance of profits. If the percentage of retained profit was considered (*vide* statement 15) it was less than in Sterling companies and far less than in Indian companies.

(c) Rupee companies under Indian Managing Agencies

The percentage of net profit to gross profit of Indian companies was higher than that of Non-Indian companies in 1950 and 1953 (*vide* statement 20). The percentage of distributed profit to net profit was lower in these companies than in companies under Non-Indian management. Hence the percentage of retained profit was higher though a large sum was kept as balance profit without being specifically allocated to reserves.

(d) Rupee Public Limited companies managed by Board of Directors

Public Limited companies outside Managing Agency control showed a greater percentage of net profits to gross profits when compared to Sterling and other public companies under Indian and Non-Indian managing agencies in the “non-loss” years. They distributed a

III. Portfolio obligations (Creditor Capital) Joint Stock Companies.	Dividends on Shares and Interest on Debentures.		Percentage of 2 to 1
	(1)	(2)	
	Lakhs	Lakhs	
	19.25	1.04	5.4

SOURCES :—Survey of India's foreign liabilities and 1953.
Reserve Bank Bulletin—January 1956.assets—

higher percentage of profits as dividends than Indian companies under Indian managing agency (as they had no managing agency commission to pay) but less than that by companies under Non-Indian management. They placed a lesser percentage of profits under reserves than Sterling and other Non-Indian companies but showed as much retained profits as companies under Indian managing agency.

20. In the matter of distribution of profits, one subject which has been a source of Industrial disputes in recent years, has been the question of payment of bonus to labour. Attempts so far made, including the recent agreement on bonus between the representatives of the Indian Tea Association and the Labour Organisations, have been to decide the issue when it arises on an *ad hoc* basis. This has not been quite satisfactory as the matter continues to remain a source of constant friction between management and labour. We feel that it is necessary to find a solution to this subject on a rational basis so that one of the causes of disharmony in the relationship between employer and labour may be removed. We have not been able to go into the subject in detail and are consequently unable to suggest a clear-cut formula. We, however, feel that any scheme that may be evolved should incorporate the following essential requirements. These allocations should be in the order mentioned below:—

- (i) the depreciation allowance allowed by the income-tax authorities should be separately funded and drawn upon only for meeting expenditure on replacement and renewal of fixed assets,
- (ii) the Tea Replanting fund should be set apart as already recommended,
- (iii) after providing for taxation, each company should build out of its profits a statutory reserve for meeting development expenditure and unforeseen charges; this reserve should be kept in a fairly liquid form,
- (iv) from what is left over, a certain minimum dividend should be provided for as a percentage return on share capital,
- (v) the remainder should be divided between shareholders and labour and staff according to a suitable formula.

The details will have to be worked out. We suggest that this may be done by a committee of experts and representatives of employers and labour. The scheme when worked out will apply to companies registered in India. As regards Sterling companies a suitable procedure for the application of the scheme will have to be evolved. While evolving the procedure it should be ensured that the statutory development reserve is invested in India. We feel that if proper principles are laid down, the various interests in the industry, the shareholders, and staff and labour will get their legitimate share of profits and one of the causes of disharmony in the relations between capital and labour will be removed.

CHAPTER XV

TAXATION

The Tea industry is subject to a variety of fiscal imposts, both direct and indirect, of the Central and State Governments. The important Central imposts are income-tax, excise duty, cess and export duty, the others being licence fees for export of tea under Rule 28 of the Tea Rules and the licence fees charged by the Central Excise authorities on tea producing factories and processing establishments. The taxes levied by the States vary from State to State. They include land tax, agricultural income-tax, sales tax, road tax and terminal tax. Taxes like town duty, octroi, education cess, etc., are also levied by local bodies. Tables showing income derived by the Central Government from income-tax, excise duty, export duty and by the State Governments from agricultural income-tax in the past few years are given in chapter I of this report.

Central levies—Income-tax

2. Under Rule 24 of the Indian Income-tax Rules, 40% of the income derived from the sale of tea grown and manufactured by tea estates is subject to income-tax. According to the proviso of this section, in computing the income of tea estates an allowance is to be made in respect of the cost of planting tea bushes in replacement of bushes that have died or become permanently useless in an area already planted, unless such area has previously been abandoned. It was represented to us by growers' associations that this concession was inadequate. One section suggested that depreciation allowance should be granted for tea bushes also in just the same way as other wasting assets like building and machinery. They argued that tea bush is productive for a limited number of years only and when its productivity declines it has to be uprooted and replanted, which requires large sums of money. The amount required for this will not be forthcoming readily unless a fund for the purpose is built up from revenues. They, therefore, pleaded that an annual depreciation allowance for tea bush should be granted as a charge to revenue, which is not now allowed by the tax authorities. The other view was that the provision for depreciation for the tea bush as for other assets like machineries, would not be practicable. They stated that all that was needed was only to liberalise the existing proviso to Rule 24 so as to permit of expenditure incurred on replanting being admitted as revenue expenditure irrespective of the location of the bushes planted in replacement.

3. Healthy tea bushes are necessary for the prosperity of the industry. The bushes will have vigour and health only if periodical replanting is done. Funds for replanting should be readily available and should not be dependent on the profits of the industry, which is a fluctuating factor. This can be ensured only if a fund is built up from

revenues. We have accordingly recommended in chapter V that there should be a Tea Replanting fund. We have also recommended that the yearly contributions to the fund by each estate and any further expenditure on replanting incurred by estates in a year, over and above what they withdraw from the funds to meet arrears of replanting, should also be a proper charge on the revenue expenditure of the estate. If the fund is created, withdrawals from it could be made for replanting in the same or different location. If our recommendations in this respect are given effect to, the industry's requirements in the matter of income-tax relief in regard to replanting expenditure will be substantially met.

—Excise Duty

4. The other important item of levy is excise duty which is a direct tax. Excise duty was first imposed on tea in April 1944 at 2 annas per lb. The rate was enhanced to 3 annas in March 1948. The duty continued to be levied at this rate till April 1953 when, as a measure of relief to the industry which was then in serious financial difficulties on account of the price slump, it was reduced to 1 anna per lb. on packages containing 60 lbs. and over. To make up for the loss, the duty on packages containing less than 60 lbs. was raised to 4 annas per lb. We have recommended in chapter XII that the duty should be levied on a uniform basis of 3 annas per lb. on all teas coming out of estates whose annual production is over 5 thousand lbs. and that as a measure of relief to the small growers whose hand-made product cannot compete in quality with factory-made tea, duty may be levied on their produce at the existing rate of 1 anna per lb.

—Export Duty

5. An export duty of 2 annas per lb. was levied on tea for the first time in February 1947. It was later in the same year enhanced to 4 annas per lb. The duty continued to be at this rate till it was enhanced to 7 annas per lb. with effect from 3rd October, 1954. The reason for the enhancement was because tea prices began to soar at the auctions and Government felt the need to 'mop up' a portion of the large profits which the tea companies were making. As the price of tea continued to be high through-out the year 1954 and also in the early part of 1955, the duty was further enhanced to 10 annas per lb. from 7th January, 1955, pending introduction of a slab system of levy of duty which Government considered necessary to bring into effect so that at any time the rate of duty may be related directly to the 'world price' of tea. Automatic adjustment of duty to the price of tea by resorting to a system of levy on *ad valorem* basis was considered to be administratively not feasible. The slab system was considered by Government to be the next best system and this was adopted with effect from 1st March, 1955.

6. The rates of duty for each slab are as shown below:—

	Rate of duty
When the price of tea—	
1. does not exceed Rs. 2/8/- per lb	4 annas per lb.
2. exceeds Rs. 2/8/- per lb. but does not exceed Rs. 3/4/- per lb.	6 annas per lb.

<i>When price of tea—</i>	<i>Rate of duty</i>
3. exceeds Rs. 3/4/- per lb. but does not exceed Rs. 4 per lb. .	8 annas per lb.
4. exceeds Rs. 4 per lb. but does not exceed Rs. 4/12/- per lb. .	10 annas per lb.
5. exceeds Rs. 4/12/- per lb.	12 annas per lb.

The 'price of tea' for determining the slab and its corresponding rate of duty for a particular month is the world price and is taken to be the weighted average price of all Indian tea sold in the London auction during the previous month and this is announced on the 1st. of each month. No deduction is made from the London auctions price for transport, insurance and other charges as these have already been taken into account while fixing the slab.

7. While the industry and trade concede that the slab system is better than the flat rate of levy, they say that it is not altogether free from defects. It has been stated that in the months of September, October and November, the North Indian tea auction in London is quality tea, which normally fetches better prices. During those months the teas auctioned in Calcutta are rains tea which fetch comparatively lower prices. The complaint is that for the export of the lower quality teas from Calcutta in October and subsequent months, if a duty is levied with reference to London prices, its effect is to depress the auction prices at Calcutta sometimes even below costs of production. To meet this objection we suggest that instead of taking only the previous months' weighted average of the London auction prices, the previous six months' average may be taken. If this is done the pronounced inequalities in prices of particular months' auctions get evened out. The duties leviable on the basis of the prices so determined will be as shown in the table below for the five months August-December 1955.

TABLE LIX

Table showing rates of export duty that will be leviable if price of tea was taken as the average of six month's 'World Prices'.

Month	Price fixed and announced by Government	Average of six months prices	Duty levied	Duty leviable based on price in Column 3
1	2	3	4	5
1955 August 1st	2 9 9	3 3 3	0 6 0	0 6 0
September 1st	2 12 0	2 13 6	0 6 0	0 6 0
October 1st	3 9 6	2 12 3	0 8 0	0 6 0
November 1st	3 7 6	2 14 3	0 8 0	0 6 0
December 1st	3 4 5	3 3 1	0 8 0	0 6 0

—Cess and licence fees

8. Under section 25(1) of the Tea Act, a cess is levied on all tea exported or taken outside India, which is ultimately credited to the Tea Fund. The fund is to be used towards meeting the expenses of the Board and the cost of the measures mentioned in Section 10 of the Act. Cess was first imposed in 1903. The rate then was $\frac{1}{4}$ pie per lb. It was successively increased and the present rate is Rs. 4 per 100 lbs. For issue of export licence the Tea Board levies a charge of Re. 1 per 1,000 lbs. The Central Excise authorities levy a fee on all tea factories as follows : —

	Rs. per annum
Power driven factories	100
Non-Power driven factories--	
For those whose annual production is below 200 lbs	1
For those whose annual production is 200 lbs. and below 1,000 lbs.	5
For those whose annual production is 1,000 lbs. and above	10

These levies are made for meeting the expenditure of the Tea Board, the cost of the Tea licensing establishment and of the Central Excise establishment respectively and are not for general revenue purposes; the question of effecting any reduction in them, therefore, does not arise.

State Government levies—Agricultural Income-tax

9. Most of the tea growing States levy tax on agricultural income. The tax is levied in Assam, West Bengal, Uttar Pradesh, and Travancore-Cochin State. In Madras, agricultural income of tea plantations is taxed under a special Act which is applicable only to plantations. Though the tax is levied only on 60% of the income of the plantation in each State, 40% being subject to Central income-tax, the rates of taxation vary between States; thereby producers in some States like Assam are at a disadvantage compared to producers in other States where the incidence of tax is comparatively lower. As the bulk of the production of the larger estates (which are in the agricultural income-tax paying category) has to be exported, anything that can be done to make the financial burden on the industry uniform in the producing States will help to stabilise their position. We, therefore, recommend that the rates and conditions regarding levy of agricultural income-tax on tea plantations in the several States be made uniform. Also the mode of collection will be simplified and duplicate collecting agencies avoided if the Central income-tax authorities collect both the taxes themselves and pass on the agricultural portion of the collection to the States.

—Sales tax

10. Tea in common with other commodities is subject to sales tax in the States. It was represented by the Tea Trade Associations that as the commodity is already bearing an excise duty it was inequitable to levy another tax on it in the form of sales tax. The many

difficulties experienced by the trade in the administration of sales tax Acts and rules by the tax-collecting authorities of the various States were also brought to our notice. One instance cited was the claim made by the sales tax authorities of Madras State on tea brokers on teas auctioned by them at Cochin, by treating brokers as commission agents. Brokerage being only 1% is less than the sales tax and it was urged that if brokers have to pay sales tax they will be out of pocket and will have to increase their brokerage substantially if they have to avoid being out of pocket. This situation did not exist in the case of the Calcutta auctions.

11. Representations have been received to the effect that to avoid various difficulties caused by the levy of sales tax different States on tea, which figures in inter-State commerce, the levy of sales tax should be made Central and the proceeds distributed to the States. If this is done, it will go a long way in removing one among the many impediments of the trade.

West Bengal tax on entry of goods in local areas

12. Two recent imposts on tea, one by the Government of West Bengal and the other by the Government of Assam, have given rise to serious problems for the industry. In the second half of the year 1955 the Government of West Bengal passed an Act called the "West Bengal Taxes on entry of goods in local areas Act, 1955". The Act was for levy of taxes on certain specified commodities which enter certain specified areas of West Bengal. Tea is one of the few commodities which will be subject to this tax. The tax which is at the rate of 1 anna per pound, will be levied on all teas consigned to any dealer in the municipal limits of Calcutta and the districts of 24-Parganas and Howrah. Thus all tea which will be moved to Calcutta for auctions attracts the duty while teas which are sent to London for the London auctions or against private contracts escape payment of this charge. The result of this is that it gives a direct inducement to growers to divert as much of their tea to the London auctions as they possibly can. As this levy is inconsistent with the accepted policy of encouraging the development of the Calcutta auctions, we would recommend that this levy should be abolished.

Assam road and inland waterways tax

13. In April 1954, the Government of Assam passed the "Assam Taxation (on goods carried by roads or inland waterways) Act, 1954". Under this Act manufactured tea in chests carried by 'motor vehicles, cart, trolley, boat, animal and human agency or any other means except railways and airways' shall be liable to tax at 1 pice per lb. on tea and this tax is to be realised from the producer. By an amending Act passed in July 1955, the tax was enhanced from 1 pice to 1 anna. Though the tax is purported to be levied on tea moved by the modes of transport referred to, it is a levy on the producer who has to make payments depending on the quantity of tea manufactured and packed in chests. Under the Act, it is the obligation of the producer to file returns of tea manufactured and packed. Thus even in cases where ex-factory sales of tea are made, the 'transport tax' has to be paid by

the producer. The view of the Assam producers is that as teas are already subject to the levy of Central excise duty, a direct levy of this nature by the State of Assam has the effect of another levy of excise duty. This places Assam tea producers at a disadvantage compared to tea growers in other States. We, therefore, recommend that the levy should be abolished.

Incidence of Income-tax and Agricultural Income-tax—per 100 lbs. of tea produced

14. An estimate of the incidence of income-tax and agricultural income tax on 100 lbs. of tea has been made from the figures furnished by tea gardens in reply to proforma 'C' of our questionnaire. This is shown in the table below: —

TABLE LX

Table showing incidence of income-tax (including Agricultural Income-tax) on 100 pounds of tea

Year	Production of report- ed compa- nies (in million lbs.)	Amount of taxes paid (in lakhs of Rs.)	Incidence per 100 lbs. (in Rs.)
1950	442	10,23	23 7 0
1951	473	7.65	16 2 4
1952	441	4.24	10 6 3
1953	453	12.85	28 2 0

SOURCE : —Returns furnished by tea gardens.

Miscellaneous State and local levies

15. Besides the taxes mentioned above there are the following further levies imposed by State Governments and Local Bodies on tea gardens : —

1. Land tax.
2. License fees (factory, vehicles, etc.)
3. Land cess.
4. Education cess.
5. Health cess.
6. Vehicle tax.
7. Profession tax.
8. Panchayat tax.
9. District Board tax.

10. Terminal tax.
11. Road cess.
12. Conservancy rates.
13. Water and lighting rates.
14. Octroi.
15. House and Building tax.
16. Chawkidar tax.

The nature of these levies and their rates vary from State to State. The Commission addressed the State Governments for information about State and local levies. Replies have been received from all the State Governments excepting Assam and Bihar; but details regarding the rates at which these levies are imposed have not been furnished by all the State Governments, who furnished replies. Available information regarding the rates of some of the important levies mentioned by the State Governments has been tabulated and is shown in Annexure LXXXIX. As will be seen therefrom, the incidence of these levies on 100 lbs. of tea varies from about annas 5 in the Travancore-Cochin State to Rs. 2-13-0 in Uttar Pradesh. Other levies like vehicle tax, house tax and professional tax, etc., have not been included in the above because it was not possible to work out their incidence.

CHAPTER XVI

PLANTATION LABOUR ACT AND LABOUR WELFARE

Introductory

1. We have stated in an earlier chapter how, in the course of development of the plantation industry, having a large resident population remote from towns or villages, certain obligations regarding the provision of housing, medical facilities and like amenities devolved on the employer. In the absence of any statutory regulations, the discharge of these obligations by different employers varied widely and in many cases conditions were very unsatisfactory. This obligation of the employer, which always has been a characteristic feature of the plantation industry, has been made mandatory by the provisions of the Plantation Labour Act, which seeks to prescribe standards in the matter of housing as well as in regard to sanitation, medical facilities, education and other welfare measures. In the implementation of the Plantation Labour Act, expenditure of a capital and recurring nature would be involved on a fairly large scale. In this chapter we have attempted an assessment of the size of this expenditure from the data furnished by State Governments, tea producers' associations and the tea companies, and have discussed the possibilities of having a central agency for the provision of all the amenities envisaged in the Plantation Labour Act.

The Plantation Labour Act—its main Provisions

2. The Plantation Labour Act applies to all Tea, Coffee, Rubber and Cinchona plantations of 25 acres or more and where thirty or more persons are employed or were employed on any day of the preceding twelve months. An important provision of this Act is that every employer is to provide and maintain for every worker and his family residing in the estate the necessary housing accommodation according to standards to be prescribed by the State Governments. According to the other provisions of the Act, employers are required to make effective arrangements for the supply of wholesome drinking water and the provision of recreational facilities, canteens, educational facilities for children of workers, creches for children of working mothers, supply of umbrellas, rain-coats, blankets and other amenities for protection against rain and cold. The Act also seeks to regulate the employment of children and prescribes the hours of work and holidays. Further, it provides for a weekly day of rest, holidays with pay, sickness allowances and maternity benefits; all these are to be prescribed according to rules to be framed by the respective State Governments.

Implementation difficult according to employers

3. In the several meetings which we had with the managers of tea estates and the representatives of producers' associations one of the points constantly urged was that if the various provisions of the

Plantation Labour Act and the model rules framed under it by the Government of India were to be implemented in full, it would cast a heavy financial burden on the industry which it will find difficult to bear even when the programme was suitably phased. They were of the view that the scale fixed for provision of hospital facilities was needlessly high and that there was hardly any necessity to provide group hospitals on the scale contemplated in the model rules. They also stated that the other obligations under the Act, namely, provision of latrines in the gardens at the rate of one for every 50 acres, canteen, etc., if implemented, would only result in fruitless expenditure increasing costs of production without in any way being beneficial to labour. They, therefore, pleaded that in this matter there should be a more rational approach.

Model rules under the Act

4. In this connection it has, however, to be mentioned that model rules were framed by the Government of India in the Ministry of Labour and sent to the State Governments concerned for consideration and adoption with such changes as may be found necessary. This was done after the matter had been discussed in considerable detail in tripartite conferences. The model rules themselves provide for sufficient flexibility in application taking into consideration local conditions.

Expenditure for implementing the Act—estate-wise estimation not attempted

5. From the replies received to our questionnaire we find that some of the amenities proposed to be provided under this Act are already available in varying degrees in most of the estates. An examination estate-wise of the additional expenditure necessary for implementation of the Act has not been attempted as the available data for computing it is incomplete. In our questionnaire we had asked individual estates to furnish information about the estimates of future capital expenditure necessary for implementation of the Plantation Labour Act. Only 15 companies in North India covering an area of 26,887 acres and 7 companies in South India covering an area of 12,799 acres have furnished estimates. On the basis of the estimates of these few companies it is clearly not possible to assess the entire industry's requirements.

Estimate from Producers' Associations

6. Some of the producers' Associations in North and South India have furnished detailed estimates for normal-sized estates. These are given in Annexure XC. It will be noted from these estimates that the bulk of the expenditure falls under housing and hospital facilities. The model rules framed under the Act give certain broad specifications for houses and hospitals; detailed standards have yet to be laid down by the respective State Governments in consultation with advisory committees. In Table LXI are given figures of houses available and the numbers that have to be put up in the gardens in the membership of a few important producers' Associations.

TABLE LXI

Table showing number of houses available and the number conforming to standards

Name of Producers' Association	Area covered (in thousand acres)	Number of families each requiring a house	Number of houses existing on 1st October 1954	Number of houses conforming to standards on 1st October 1954	Balance of houses required to be built to Standards (3—5)
1	2	3	4	5	6
<i>North India:—</i>					
I. T. A.	4.15	2,96,160	2,69,043	72,101	2,24,059
I. T. P. A.	60	31,096	28,391	2,555	28,541
A. T. P. A.	11	6,611	5,815	523	6,088
TOTAL	4.86	3,33,867	3,03,249	75,179	2,58,688
<i>South India:—</i>					
U. P. A. S. I.	1.20	46,372	38,544	21,777	24,595
GRAND TOTAL	6.06	3,80,239	3,41,783	96,956	2,83,283

It will be seen therefrom that 72,101 houses in estates in the membership of the I. T. A. conform to certain prescribed standards. The number for the estates in the membership of other associations has not been furnished by them but has been computed in the manner indicated in Annexure XCI.

—for housing labour

7. No precise figure could be quoted as the cost of putting up a house for a plantation worker since standards for housing to be recommended by the advisory committees in each State and approved by State Governments have not been finalised. One producers' Association in North India has mentioned a figure of Rs. 2,500 and another in South India has given an estimate of Rs. 2,000 as the cost of housing unit. We tried to ascertain from the State Governments and the Central Public Works Department the probable cost of a house for a plantation worker conforming to standards approved by the Industrial Committee on Plantations. Our enquiries show that Rs. 2,000 is a reasonable estimate for a new house. We understand that some of the existing houses could be brought to the prescribed standards by alterations at perhaps half the cost of putting up a new house. It is seen from the figures furnished by producers' Associations that in the six months between October 1954 and March 1955, about 12,514 houses have been newly built and 6,130 remodelled. On the basis of these figures it may perhaps be assumed that 2 houses will have to be newly built for one remodelled. Accordingly it would be fair to

estimate that expenditure will have to be incurred at the rate of Rs. 2,000 for two-thirds of the number of houses to be built and at Rs. 1,000 for balance of one-third. On this basis, the cost of providing the requisite number of standard houses would be Rs. 42.7 crores in North India covering an area of 4,86,873 acres and Rs. 4 crores in South India covering an area of 1,20,215 acres or a total of Rs. 46.75 crores covering an area of 6,07,088 acres, for which information as regards the number of families requiring houses is available. For the industry as a whole covering an area of 7.8 lakh acres, the cost would be of the order of Rs. 60 crores. In view of the comparatively high estimated cost of each house, the annual maintenance cost and the sinking fund charges will amount to a considerably large sum. We, however, think that a reduction in cost may be possible if suitable locally procurable building material could be used wherever possible; timber, brick and lime mortar could be substituted for cement and steel. In hot and damp regions a thatched house, provided it is well constructed and damp and wet proof, may be suitable. In the course of the speech delivered at the meeting of the Standing Committee of the National Development Council held on the 7th January, 1956, the Prime Minister, Shri Jawaharlal Nehru, observed as follows:—

“We should really think in terms of providing greater amenities. Obviously, the first things are education and health, that is, free education, free health services, etc. There are other amenities too, which are very expensive like housing and slum clearance. We are going in for slum clearance and all such amenities but they are all terribly expensive and sometimes we have to put up even with the slums, because we have to do something else first. I believe in Germany where they have made tremendous progress, they have been concentrating mainly on the factories. They continued to live in bad houses, but they built up their factories.”

One of the reasons advanced for the slow progress of housing construction was the difficulty of getting cement and steel in sufficient quantities. This difficulty will also be reduced to a large extent by a more extensive resort to locally available building materials. These matters will be considered by the advisory committees to be set up under the Plantation Labour Rules and we do hope that these committees and the State Governments will keep in view the felt needs of the workers in each region and the availability of materials both from regional as well as national points of view. These limitations should also be kept in view in respect of other constructions as creches, canteens, hospitals and school buildings. Our observations regarding workers' houses apply to buildings for schools and creches etc.

—For medical facilities

8. The producers' associations above referred to, have also furnished information regarding the medical facilities available in their member-gardens and the extent to which they conform to specifications recommended by Dr. Lloyd Jones in his report. Using this information and applying the standards laid in the model rules framed under the Plantation Labour Act in regard to garden hospitals,

we have estimated the extent to which existing facilities fall short of the standards prescribed. These estimates are given in Annexure XCII. We have tried to ascertain from State Governments the cost of constructing a 5-bed garden hospital as specified in the Plantation Labour Act in plantation regions. Estimates were received from the Governments of West Bengal, Mysore and Travancore-Cochin. The estimates furnished by the Mysore Government were based on standards generally prescribed for local fund dispensaries; the estimates of West Bengal Government were the highest but they corresponded more nearly to the broad specifications laid in the model rules under the Plantation Labour Act. Based on this estimate and the data available about the extent of the deviations of the existing medical facilities from the standard prescribed by the model rules, the additional expenditure which may have to be incurred was calculated for each region and weighted averages for North and South India (separately) were worked out. Table below gives the average additional expenditure that will have to be incurred on a 5-bed garden hospital in North and South India.

TABLE LXII

Table showing additional expenditure on a 5-Bed garden hospital

	Area (in acres)	Capital Cost	Recurring Cost
Estates under I. T. A.	4,15,000	15,724	1,939
Estates under I. T. P. A.	60,061	23,657	2,686
Average for North India	4,75,061	17,359	2,034
Average for South India	1,19,542	16,846	4,399

Taking the figures regarding the total resident labour force in tea plantations to be 8.6 lakhs as furnished by the Directorate of Economics and Statistics of the Ministry of Food and Agriculture, the additional expenditure for the provision of garden hospitals of requisite standards would be of the order of Rs. 4 crores.

9. Considering the magnitude of capital expenditure, Rs. 60 crores under housing and Rs. 4 crores for garden hospitals, it will have to be discussed with the planning authorities in the country and correlated to other capital expenditure so that national priorities are in no way prejudiced for want of co-ordinated policies.

Other Amenities

10. As regards the cost of providing other amenities such as drinking water, educational facilities, conservancy, etc., it has not been possible for us to assess the extent of existing amenities. The cost of

providing them is not as large as for housing and hospitals and so the estimates furnished by the Associations have been taken for our estimates without change. Regarding group hospitals, in the absence of other estimates, we have taken the figures furnished by the producers' Associations to be more or less reasonable.

Our estimates for implementation of the Act

11. The estimates furnished by the producers' Associations regarding cost of implementation of the Plantation Labour Act may now be examined in the light of the figures given in the previous paragraphs. The associations have admitted that it has not been possible for them to determine the extent of existing amenities and no allowance has been made for this in working out their estimates; but we have revised their figures under housing and hospital facilities taking into account the number of houses and the extent of hospital facilities already available, as estimated above. The revised estimates as shown in Annexure XCIII give the capital expenditure per acre to be Rs. 784 in North India and Rs. 689 in South India. The recurring expenditure per worker is Rs. 100 and Rs. 146 for North and South India respectively based on the number of workers employed. Expressed in terms of production the capital expenditure is Rs. 1-5-2, and Rs. 1-2-3 per lb. for North and South India respectively. The recurring expenditure per lb. is 3 annas.

The additional recurring costs due to implementation of the Plantation Labour Act were also worked out by a different method. The report of the Family Budget Enquiries Committee in Assam plantations and the report submitted by United Planters' Association of South India to the Madras Industrial Tribunal provided some information for estimating the annual money value of the amenities provided in those regions per worker. The estimates of the producers' Associations give to recurring cost of implementation of the Plantation Labour Act per worker without taking into account the value of the existing amenities. Deducting the money value of the existing amenities from these, we have arrived at an estimate of the net additional recurring expenditure per worker. This works out to Rs. 98-5 for North India and Rs. 136 for South India. Details are in Annexure XCIV. The recurring cost per lb. as worked out by this method also comes to about 3 annas.

Balanced diet for labour more important than provision of specialist hospitals

12. In the matter of group hospitals, the following observations of Dr. Lloyd Jones are relevant.

“The main defect in tea areas is not so much the lack of specialist hospitals as the lack of simple facilities for medical care on the gardens themselves. The vast bulk of the mortality of tea gardens is not caused by lack of this type of care (ulcer, severe head injury or a puzzling and obscure medical case) but is the result of conditions arising from poor diet, inefficient

sanitation, contaminated and insufficient water supply and the ignorance of the workers.....There seems to be no necessity at all at the present stage to embark on any scheme for the provision of group hospitals proper in South India and the Dooars."

13. We agree with Dr. Jones' view that what is required is not so much large specialist hospitals as measures that would help in securing for the workers efficient sanitation and a balanced diet which will give them increased stamina and resistance to disease. We note that the Act as it stands provides the needed flexibility in execution by vesting powers with the State Governments to exempt some or all of the units in any plantation industry from any or all of its provisions. The model rules also provide for sufficient flexibility as under them:

"State Governments may fix a lesser number of beds to be provided in a group hospital and exempt group of plantations from providing a group hospital, if it is satisfied that adequate alternative arrangements exist for treatment of patients intended to be treated at a group hospital."

We hope that the State Government concerned will examine the necessity of group hospitals with respect to the needs of each region in the light of alternative arrangements that can be made and grant exemptions, if and where necessary.

Availability of resources for implementation of the Plantation Labour Act examined

14. We shall now consider the question of the resources available to the planters for the implementation of the Plantation Labour Act. Expenditure for welfare measures will not ordinarily be financed by the State Industrial Finance Corporations. Finance will have to be provided from the internal resources of the companies themselves or by loans from banks and others. We have examined the availability of internal finance with tea companies by analysing the balance sheets and the profit and loss accounts of 247 tea companies for the years 1950, 1951 and 1953. In Annexures XCV and XCVI are given statements showing the available internal working funds per acre and the retained profits per acre for these years. If the level of profits prevailing during the four years *i. e.*, 1950 to 1953 could be taken as an indication for the next few years, we could anticipate a net addition to internal resources of the companies of about Rs. 50.63 per acre per year. This is rather a limited amount to meet the obligations under the Plantation Labour Act and to meet the other important needs of the industry. This fact will have to be taken into consideration in phasing the implementation of the Plantation Labour Act. In Annexure XCVI-A are also given statements showing the retained profits per acre for the same years and for the same number of companies region-wise. Looking at the region-wise picture, we see that the retained profit per acre is negative in Darjeeling and Cachar. It must be borne in mind that we are calculating on the basis of aggregates of profits of all companies in various regions. The position in respect

of individual companies is bound to show considerable variation. Further, the availability of funds for the implementation of the Plantation Labour Act will have to be considered along with the availability of funds for replanting and other reserve funds and for necessary finance for implementing other recommendations made by us. Other important factors to be considered will be the burden of additional taxation, if any, on this industry and the competitive position of Indian tea in international markets. The I.L.O. Committee on work on plantations in its General Report—Part I—1955, made the following observations:

“...even apart from humanitarian considerations the inequality in the conditions provided for the plantation workers in the different areas is bound to aggravate the inequality in costs of production as between these different areas—an important factor in determining the prices of plantation products and thus in competition on the world markets.”

The F. A. O. commodity report on Tea 1953, said “the major production increases in prospect are either for domestic consumption or in colonial territories and where labour and other production costs are even lower than in the traditional far eastern areas”.

Loans for providing housing for labour recommended

15. The representatives of the industry also urged before us that as the capital expenditure necessary for the housing programme is heavy, financial help should be provided by Government by means of grants and loans under the Industrial Housing Scheme. As the obligation to provide residential accommodation for their resident labour has always devolved on the plantation industry and as the requirement in this respect in the Plantation Labour Act did not really introduce any new principle, we do not feel that a case for Government subsidy has been made out. In view of the urgent need to help the industry to make rapid progress with the housing programme we, however, recommend that Government loans should be made available to the plantation industry at rates of interest and terms of repayment as available to other industries under the Industrial Housing Scheme. In this matter the smaller units with less adequate financial resources of their own should be given priority.

Levy of taxes by local bodies for Community Services—relief recommended where the Services are not extended to plantation in areas

16. In the plantation areas of Madras State it was represented to us by the representatives of the industry that while they paid taxes to the local Panchayats, the Panchayats did not provide any of the services for their labour colonies such as conservancy and lighting for which the taxes were paid. The services had to be provided by the employers themselves. This situation cannot in our view be justified. In this context, we recommend that the local authorities should not levy any rates or taxes on plantations in respect of conservancy and lighting, etc., unless they are in a position to provide these services in a satisfactory manner. Wherever the employers have to provide

for the maintenance of civic services such as conservancy, water-supply, etc., it would be desirable to manage these through committees on which workers are adequately represented. The maintenance of canteens may also be delegated to the same committee with advantage. This will result in developing a large measure of self-help and civic sense among the workers and foster habits of discipline and lead to improvement in industrial relations.

Obligations under the Plantation Labour Act in cases of transfer of estates by sale.

17. It is expected that the State Advisory Committees under the Plantation Labour Act will shortly lay down detailed and definite specifications regarding housing, hospitals, schools and other amenities for workers. It will then be desirable to see that the standard of services and amenities provided in actual practice does not differ in any appreciable manner from estate to estate within at least the same region. In the event of an estate being brought to sale before the phased programme of implementation is completed, we recommend that the State Government should assess the undischarged liability of the seller in regard to his obligations under the Plantation Labour Act and recover such amounts as may be necessary for this purpose from the seller before registering the sale.

The Plantation Labour Welfare Organisation—A suggestion.

18. The present scheme of the Act is that the prescribed amenities like housing, hospitals, schools and creches should be provided by the employer himself and it will be the responsibility of the enforcement machinery to see that the amenities are provided. We are of the view that a better way would be, to follow a procedure which has already been adopted with success in looking after the welfare of coal miners. We, therefore, suggest that a Plantation Labour Welfare Organization may be instituted for the purpose. This organisation should be established and controlled by the Government of India. The revenues for this organisation should come through suitable levies on Plantations. The Plantation Labour Welfare Organisation may wherever necessary use the agency of employers or any other suitable agencies, governmental or otherwise, for provision of amenities; in all such cases the organisation will grant necessary rebates to the employers or sanction adequate funds or subsidies to Labour Committees.

CHAPTER XVII

THE SMALL PRODUCER.

Small estates—their numbers.

Out of a total number of 6,569* registered tea estates in India, as many as 5,283 or 80·4% are estates of less than 100 acres. Though numerically in the majority the total extent of the estates below 100 acres is only about 32,800 acres and total estimated production 8 million lbs. constituting 4·47% and 1·34% respectively of the all-India total acreage and production (Table LXIII). The largest number of estates below 100 acres are found in Madras (2,733); Travancore-Cochin has 991, Kangra 1,115 and Himachal Pradesh 225. Some of the small estates, meaning by the term those less than 100 acres, are part of the properties of larger tea garden proprietors, either companies or individuals; but most of the small estates are owned by individuals with no other holdings of tea. Within the range of estates below 100 acres, there are wide variations in extent and production as will be seen from the table in Annexure XCVII.

—their problems.

2. Generally speaking, the small estates have very limited resources and as a consequence their productivity is low. They find it difficult to get credit on reasonable terms and are unable to spend adequate amounts in manuring and plant disease control. Most of them have no factories. Annexure XCVIII shows the yield per acre of estates of less than 100 acres in the different States and the average yield for all estates in the regions. In Annexure XCVIII-A is given a detailed statement giving the number of estates of less than 5 acres in extent, between 5 and 25 acres and so on and their production in the year 1953.

TABLE LXIII

Table showing area and production of tea estates of less than 100 acres in relation to the total acreage and production in India

State	Estates of less than 100 acres		Estates of all sizes		Proportion of 2 to 4 and 3 to 5 (in percentage)	
	Area in Acres (1953)	Production (in '000' lbs.) (1953-54)	Area in Acres (1953)	Production (in '000' lbs.) (1953-54)	Area	Production
1	2	3	4	5	6	7
Assam . . .	6,576	2,102	3,84,652	322,052	1·71	0·65
West Bengal . . .	410	49	1,96,623	162,250	0·21	0·03
Tripura . . .	138	44	11,862	3,806	1·16	1·16
Bihar . . .	..	..	4,137	2,407	..	..

Note :—*Figures of the number of estates, acreage and production given in this paragraph relate the year 1953.

1	2	3	4	5	6	7
Uttar Pradesh . .	855	134	6,190	1,570	13.81	8.54
Punjab (Kangra) .	6,342	N.A.	9,602	1,757	66.05	..
Himachal Pradesh .	374	N.A.	1,060	229	82.55	..
Total North India .	15,196	2,329	6,14,126	494,071	2.47	0.47
Madras	12,197	4,679	85,268	62,866	14.66	7.44
Travancore-Cochin .	5,020	1,199	83,469	54,343	6.01	2.21
Mysore	123	25	4,223	1,999	2.91	1.25
Coorg . . . .	..	..	432	279	..	..
Total South India .	17,640	5,903	1,73,392	119,437	10.16	4.94
Total All-India .	32,836	8,232	7,87,518	613,558	4.17	1.34

N. A. :—Not separately available.

NOTE:—Figures of Production in respect of Kangra and Himachal Pradesh are for 1953 as furnished by the Directorate of Economics & Statistics, Ministry of Food and Agriculture.

SOURCE :—Tea Board.

Tea factories without tea estates—their numbers.

3. In South India, the small estates, which do not have their own factories, usually sell their green leaf to factories which manufacture black tea out of green leaf bought from others. Some of the factories which buy green leaf have tea estates of their own but they are too small to feed them fully and there are also many tea factories without estates of their own. In Kangra Valley and Himachal Pradesh the small holders mostly make green tea with the help of small 'chulas' and hand implements. The tables below show State-wise the number of tea factories without tea estates attached which exist for manufacturing tea from bought green leaf, the number of estate factories which also buy green leaf from outside, and the quantities of tea manufactured by them out of bought green leaf in the year 1954.

TABLE LXIV

Table showing quantity of tea manufactured by tea factories not owning tea gardens from green leaf bought from others

Region where factory located	Number of factories	Quantity manufactured (in lb.)		
		1952	1953	1954
Nilgiri (Madras)	24	2,698,386	3,643,424	4,724,147
Travancore-Cochin	8	157,475	176,478	237,263
Kangra (Punjab)	17	*38,313	*39,680	*69,906
TOTAL	49	2,894,209	3,864,582	5,031,316

*Includes also green tea made by the hand process.

TABLE LXV

Table showing the quantity of tea manufactured by tea factories who have their own tea gardens and also buy green leaf from others

Region in which factories located	Number of factories	Quantity manufactured (in lbs.)		
		1952	1953	1954
Nilgiris (Malabar)	10	759,194	907,645	1,036,817
Travancore-Cochin	23	6,800,887	6,957,332	7,332,726
Mysore	4	741,396	845,350	846,441
Shillong (Assam)	25	7,067,157	7,918,974	7,445,203
Darjeeling (W. Bengal)	5	6,984	4,253	27,457
Kangra (Punjab)	59	*173,600	*160,859	*251,150
TOTAL	126	15,549,218	16,794,413	16,939,794

*Partly green tea made by the hand process.

SOURCE : —Returns from Central Excise Circles.

Financial problems of tea factories without estates and small growers —in South India.

4. It was understood from the representatives of the Nilgiri Small Tea Growers' Association, who met us, that the general practice in the region is for the small tea factories, which buy the green leaf from the small producers, to advance them money to finance their cultivation and other expenses. In return, the tea growers are expected to sell their green leaves to the factory giving the advance. In many cases the factories themselves are owned jointly by a group of small estate owners. As the competition amongst factories for green leaf is keen, usually no interest is charged for the advances made by the factories. The factories themselves are dependent for finance on private money lenders who charge high rates of interest and they are also often under obligation to sell their teas to those who lent them money or to parties specified by them. The factories, therefore, do not get the advantage of competitive market prices. In consequence the former also does not get a fair price for his leaf either from the big or small factories.

—in Kangra.

5. Similarly, in the Kangra District the small holders are largely dependent for their finance on the merchants who buy their tea. Here also the complaint is, that, because of these circumstances, interest rates are high and the producers do not get the advantage of competitive market prices.

6. In U. P. as well as in some other tea growing States, small holdings were leased out. The condition of the holdings generally deteriorated in the course of such leases. In the course of their evidence the Government of Uttar Pradesh made the following remarks :

“The lessee often neglects to pay proper care on the maintenance of the garden and at the expiry of the lease period the garden was left in a withering condition. The garden withers out if hoeing were not regularly made. Some arrangement for taking over the mismanaged gardens by Government or semi-Governmental organisation is also suggested.”

Remedies suggested for small producers—formation of co-operative credit societies.

7. The difficulties from which the small producers of tea suffer are similar to those which affect small agricultural producers elsewhere in the country, namely lack of credit and inability to get full advantage of the market for their commodities. The remedies to be applied are, therefore, the same as those which have been suggested for the solution of the credit and marketing problems of the small rural producer in the valuable report of the All India Rural Credit Survey. The small tea growers should be organised in suitable primary agricultural credit societies. In most of the regions where they are located, we expect it will be possible to organise primary societies with reasonably large membership consisting of tea growers alone. The criterion for determining the size should be the margin available for appointment of a Secretary and the minimum complement of staff. In areas where this is not possible, for the reason that a sufficiently large number of small tea producers are not available to sustain a good sized primary society, they should join the general agricultural credit society organised for the locality. These primary societies of tea producers should get all the financial and other support from the State Governments and State Co-operative Banks which, under the scheme recommended by the Rural Credit Survey Committee, other primary societies will get, and they should work on the same lines. They will provide crop loans to the members to finance their production as well as medium terms loans for periods up to 5 years, supply members' requirements for crop production such as fertilisers, insecticides, and spraying machines and other equipments needed by cultivators for sale as well as for hire and render all the other services expected of primary societies under the Rural Credit Survey Scheme.

Co-operative tea factory and marketing society.

8. Apart from providing necessary credit to finance tea growing, it is also necessary to strengthen the small producer by providing him with necessary facilities for manufacturing or processing his tea and marketing it, so that his dependence on some outside factory or merchant may be minimised. For this purpose, co-operative societies for processing and marketing tea should be organised amongst the small producers. The function of these primary processing-cum-marketing societies will be to manufacture tea from the green leaf produced by

the members and to grade and market the tea for them. The processing-cum-marketing societies will be State-partnered according to the report of the Rural Credit Survey Committee and comprise the primary credit societies in its membership. The marketing societies should get financial and technical help from the State Governments on the lines suggested by the Rural Credit Survey Committee.

Integration of field advisory staff and co-operative societies necessary.

9. Two points should, however, be noted in connection with these proposals. In conformity with the recommendations of the Rural Credit Survey Committee, processing factories of tea could be purchased from private persons where the State Governments feel that it is in the public interest to do so and where 30% of the price is raised by the producer members of the State-partnered processing and marketing societies. Secondly, where companies were intermixed with small holders, the marketing society should include both. If co-operative credit societies and processing-cum-marketing societies are organised for the small tea producers on the above lines, their economic weakness arising from the smallness of the size of individual units and consequent limitation of resources will to some extent be mitigated after these proposals are implemented and the small holders will be enabled to function with many of the advantages which the larger producers have. The maximum amount of integration of the field advisory staff with the co-operative societies is necessary. If loans are to be used for productive purposes and sanctioned according to planned priorities of credit needs, the agency responsible for improving production and marketing should supervise the societies and inform the concerned authorities about the needs and requirements of the latter. It would be conducive to economy and efficiency, if the Registrar of co-operative societies delegated supervision to the advisory staff of the Tea Board.

Small holders' co-operative Societies assistance to grower members.

10. In the report of the Tea Controller of Ceylon is given an outline of a scheme under which Tea Producers' Co-operative Societies comprised of small holders were to get financial and other forms of assistance from Government. The assistance is on the following lines: -

- (a) One-third of the cost of fertilizers supplied through such a Co-operative Society was to be borne by the Government and the funds to pay for the balance were to be given to the small-holder in the form of a short-term loan, the funds required on this basis being an outright grant of Rs. 30 per acre and a loan of Rs. 60 per acre.
- (b) An outright grant for contour draining and terracing to prevent soil erosion of Rs. 20 per acre.
- (c) Short-term loans of Rs. 30 per acre to help in the repayment to factory owners of debts incurred by small-holders and to enable the amounts now paid as interest to be used for better cultivation methods.

- (d) Assistance for the purchase of spraying equipment to provide anti-blister blight measures.
- (e) A loan of Rs. 50 per acre was to be given to each Co-operative Society for the establishment of Collecting Depots and for the purchase of vans, weighing machines and leaf bags.

We suggest that when small holders form co-operative societies as recommended in this chapter, they should be granted assistance somewhat on these lines. We leave it to the Tea Board to work out the details.

Economic and uneconomic units—difficult to give area as dividing line.

11. When the economic problems of tea gardens are under discussion the words “economic” and “uneconomic” often crop up. A tea garden like any other unit of production, whether agricultural or industrial, can be considered to be economic if it can normally pay its way when working under sound management. The size of such a unit will depend upon such variable factors as the cost of production, the quality of the tea produced, the yield per acre and the price obtainable for the produce. Cost of production, quality and yield again depend to a large extent on the geographical situation of the garden. Ability of management is also an important factor; for what is normally an economic unit may produce disappointing results under inefficient or improvident management. A person growing tea on one or two acres and selling the green leaf at a few annas per lb. may still make a profit. A big garden with its own factory may find its production unprofitable if the price of tea fell below its cost of production. In the circumstances, it is difficult to define what would be an economic tea garden with reference to its area. If a garden is to sustain its own factory a certain minimum acreage will, however, be necessary. For the purpose of issuing licenses for the extension of tea cultivation the Tea Board has been working on the principle that estates below 150 acres when owned by individuals and below 300 acres when owned by companies should be considered to be uneconomic and should be treated more liberally than the larger units to enable them to become more economic. While this is no doubt useful as a rough yardstick for the limited purpose of dealing with applications for licence, it is not possible to define an economic unit merely with reference to its acreage. The yield per acre is a better test of economic viability than area. The Cachar Plantation Enquiry Committee (1951) considered that in Cachar the absolute minimum yield to be economic should be 8 maunds per acre. Here again it is difficult to lay down anything hard and fast because whether any particular yield is economic will depend upon costs of production and prevailing tea prices.

Solution to problems of uneconomic estates—formation of Co-operatives.

12. A suggestion often made is that when gardens are found to be chronically uneconomic and are unable to pay their way they could be made economic by amalgamating them with larger units in the neighbourhood. This is, however, not a remedy ready for universal

application in all such cases. The uneconomic nature of a garden may not necessarily be due to the relative smallness of its size. Even where that is so, the proximity of situation necessary for physical amalgamation under one management may not exist. Even where it exists, unless the owners are willing to combine voluntarily, compulsory amalgamation of smaller units into larger ones did not evoke enthusiasm when we discussed it with planters in different areas. The efficacy of compulsion in the matter is very doubtful. Voluntary amalgamation of small gardens into larger ones where there is a desire for it should of course be given every encouragement. As we have suggested already the solution of the problems of the small units really lies in the formation of co-operative societies.

Need for designing of small machines for rolling and drying.

13. One solution for uneconomic estates lies in the designing of small machines for rolling and drying. Instead of making the plantation bigger by amalgamation, the machines may be made smaller to suit estates of 100 to 300 acres. A number of representatives of the industry made the request that Government should encourage research and manufacture of smaller machines in India which would suit the resources of small producers and also release them from their dependence on foreign countries for tea machinery. Researches in this direction have an urgency about it in the interest of expansion of the Tea industry.

CHAPTER XVIII

RESEARCH TRAINING AND ADVISORY SERVICES.

Experimental research on tea—North India.

It is hardly necessary to emphasize the need for scientific research and the practical application of scientific knowledge for the progress of any industry, be it agricultural or manufacturing. Tea happens to combine the characteristics of both. The importance of scientific research was realised by the Tea industry at an early stage and the scientific department of the Indian Tea Association was inaugurated in 1900. From small beginnings it has grown into a large organisation, well equipped and staffed to deal with the scientific problems in tea growing and manufacture. The Indian Tea Association maintains the well known experimental station at Tocklai near Jorhat in Assam to which is attached the Borbheta Experimental Estate of about 226 acres. The Indian Tea Association controls the policy and administration of its scientific department through a sub-committee appointed by it. They have also an advisory committee in London which includes distinguished scientists "to receive the annual programme of work, estimates and report and to offer advice on them". The London Advisory Committee also supervises the scientific work on tea carried out for the Indian Tea Association in the laboratories in the U. K. To enable the scientific officers of the Tocklai Experimental Station to discuss the field of their research with senior and experienced members of the planting community, an annual conference is held at Tocklai which is attended by delegates sent by the different Indian Tea Association Zones of North-East India. Thus, while the scientific officers get an opportunity to discuss their problems with representative planters, the latter in their turn are able to take back with them "first-hand impressions of the efforts being made to assist the Tea industry by scientific investigation".

Tocklai Experimental Station—its organisation.

2. The Tocklai Experimental Station has branches in Biochemistry, Agrobotany, soil chemistry, plant pathology and Engineering, and an Advisory branch. The different branches work under experienced scientific officers. Fundamental investigations on problems confronting the industry as well as scientific work of a routine kind involving examination and analysis of specimens sent to them, and advice on problems referred to them by planters are carried on at the institute. Very valuable work has been and is being done on subjects such as improvement of planting material by proper selection, methods of planting and providing shade, soil management, use of fertilisers, plant disease control and tea manufacture. The work done in the station during the last few decades has conferred great benefits on the industry by improving cultivation practices and by increasing yields by greater and better informed use of fertilisers, and methods of pest control, in other words by the application of the results of research and investigation to practical work in the field.

—how results communicated to planters.

3. The problem of conveying the results of the studies and investigations conducted at the experimental station to the planter for practical application in the field is tackled by its Advisory Branch. The Advisory Officers who are themselves people with scientific training and who act in close collaboration with the scientific officers of the experimental station are stationed in the different tea districts. They tour their areas and meet the planters, and give them advice and guidance.

4. The station also puts out a number of advisory publications including the Serial Tea Encyclopaedia, well known in tea planting circles, which contain scientific and practical information of great value to the planter. We found that the scientific and advisory work at Tocklai was greatly appreciated by the planters as it was of considerable use to them.

—how financed.

5. The Tocklai Experimental Station and the services mentioned above are maintained by the Indian Tea Association at their cost. We understand that the expenditure incurred by them on their scientific department during the two years 1952 and 1953, was Rs. 13·5 lakhs and 14·3 lakhs respectively. The expenditure is met by voluntary donations from members of the association and a small grant from the Government of West Bengal. The services of the Advisory Branch are available to member gardens free of charge. The Tea Encyclopaedia serials are also free to member gardens and the other publications are available at the small charge. The services of the Advisory Branch and copies of Tocklai publications are also made available to non-member gardens on payment.

Experimental Station in South India—Devershola.

6. In South India, the United Planters Association of Southern India maintains a Tea Experimental Station at Devershola in the Nilgiri Wynaad. It is a much smaller institution than the one at Tocklai. Its resources and the range of its activities are limited. The station has about 27 acres of land, about half of which is under tea. There are branches for Entomology, chemistry and Botany with scientific officers in charge. The emphasis of the work of the institution appeared to be more on advisory matters and much of the time of the technical staff is spent in dealing with problems, referred to them by planters. A certain amount of *ad hoc* research is also carried out on problems of disease control and manuring. The advisory leaflets put out by the institution are published in the Planters Chronicle, which is the official organ of the United Planters Association of Southern India. The United Planters Association of Southern India spends about Rs. 90,000 per year for the up-keep of this institution. A few of the larger tea companies both in North-East and South India also maintain scientific officers on their staff to advise them.

—other experimental stations.

7. Apart from the institutions at Tocklai and Devershola, both of which are maintained by private organisations of tea producers, the only tea experimental station maintained by Government is the Tea Experimental Farm of the Punjab Government at Palampur in the Kangra District. As a centre for research and technical advice this institution at present is not impressive. The farm has about 15 acres of land of which about 10 acres are under tea. We were given to understand that, for the last few years, Agricultural Department officials who have held charge of the farm have had no special training in tea culture. The farm does not appear to have been able to make any significant contribution for the development of tea culture in Kangra.

Tea Board and research stations for South India.

8. Under the Tea Act, 1953, "undertaking, assisting or encouraging in scientific, technological and economic research and maintaining or assisting in the maintenance of demonstration farms and manufacturing stations" is one of the functions of the Tea Board. So far the Tea Board has not entered this field of activity to any extent. The Board has had under consideration for sometime the question of rendering assistance to the Tea industry by setting up a tea research institute in South India. This is a proposal which should be pursued with vigour.

Tea Board—need to supplement and expand work covered by existing research units.

9. A question that arises for consideration in connection with the promotion of research is what the relationship of the Tea Board should be to research and advisory institutions run by private organisations like those at Tocklai and Devershola. It is a legitimate function of private industry, when it has got necessary resources, to organise the scientific research necessary for its own progress. The two large organisations of producers in North-East and South India had with commendable foresight already undertaken this work. To duplicate the work that is already being done would be waste of money and effort. The endeavour of the Tea Board should be to review the field of research and advisory work already covered, and to supplement and expand it to the extent necessary so that all sections of the industry in all the regions get the benefit of scientific information necessary for their purpose.

—need for sub-stations in other regions—Research Directorate for Tea Board.

10. In addition to one experimental station for South India, it may be necessary to have sub-stations in different North Indian regions like Cachar, Darjeeling, Dooars and Kangra. Climatic and soil conditions vary in different regions and the need to have local experimental stations in different regions was brought to our notice at several

places by many producers. These are matters of detail, which we recommend the scientific sub-committee of the Tea Board should take up for examination. Steps will have to be taken to ensure that there is co-ordination in work between institutions which already exist and which may be set up hereafter. It should be possible to secure this by mutual consultation. If at any stage it is found necessary to make any direct financial contribution by the Tea Board to any research institution run by any private organisation, such contribution should be subject to periodic inspection and review by the Tea Board. We recommend, therefore, that in order to carry out and co-ordinate the research activities, a Directorate of Research should be formed in the Tea Board. The Directorate when established should also be in charge of the educational and extension work, the need for which we shall now proceed to discuss.

11. While promotion of research is of vital importance to the progress of the industry and while we agree that the Tea Board should in collaboration with established research institutions further promote research work, it is equally necessary to ensure that the fruits of research are conveyed to workers in the field for practical application.

Need for advisory service.

12. In this matter of obtaining competent advice on scientific problems, the services of the advisory branch of Tocklai are available to member gardens of the Indian Tea Association and to others who are in a position to make use of them. Similarly, the more limited facilities of Devershola are available to member gardens of the United Planters Association of Southern India in the South. But the numerous body of Indian producers who are not members of these associations and who are in even greater need of guidance in tea growing, have at present no easy access to sources of scientific knowledge. We feel that the Tea Board in the discharge of their responsibility for the dissemination of scientific knowledge of tea production should start an advisory service for the benefit specially of this section of the industry. It will be the function of the service to visit the small and medium producers to find out their problems and give them advice and guidance in the matter of tea production. To be effective, the advisory staff will have to be adequate in number to reach every producer.

13. To achieve this, a phased programme may be adopted giving priority to regions where response will be immediate and the need greatest. The territorial jurisdiction of each advisory officer should be of reasonable dimensions so that he will be able to visit the different holdings or group of holdings within his charge at least once in 6 months. The advisory officers should be people with university degrees in Agriculture who have been given a course of specialised training in tea culture and manufacture. The training should also cover the subject of tea estate economics and management. Apart from technical competence, they should also be people who can understand and sympathise with the problems of the small growers and who have the ability to explain new ideas and new methods of them in a

manner which will ensure understanding and acceptance. For this purpose also, necessary training should be given to them. The advisory officers will have to act in close collaboration with established research institutions and visit them periodically to refresh their own knowledge and keep in touch with modern developments. It will be for the Tea Board to negotiate with the authorities of established experimental stations and agricultural colleges and make suitable arrangements for the purpose. The agricultural colleges at Coimbatore and Jorhat and the Tocklai Experimental Station should be suitable for imparting training.

14. The number of advisory officers required, the places where they should be located and the terms on which they should be appointed, are matters of detail which will have to be worked out by the Tea Board. The terms should be such that young men with necessary qualification and ability will be attracted. One point that should not be over-looked is that to enable them to function effectively they should be provided with suitable means of transport. The need for this is obvious, considering the itinerant nature of their duties. We noticed in this connection that the liaison officers appointed by the Coffee Board to do advisory or extension work among the small coffee growers in South India, were provided with motor cycles which made them sufficiently mobile to be effective in their work.

Need for regional advisory committee.

15. The Advisory Officer will not be able to function effectively in any region unless he has the support of the local planting community whom he has to help and advise. We, therefore, recommend that the Tea Board should organise in a suitable manner regional Advisory Committees of representative and influential planters whose help will be available to the Advisory Officer to facilitate his work by securing necessary local co-operation. The aid of these local committees of producers should also be available to the advisory establishment of the Tea Board for purposes of planning and development of the industry in the region concerned.

16. We had mentioned earlier that the Punjab Government Tea Experimental Farm at Palampur has not been able to be of any great use to the local Tea industry. In this district, which is predominantly a region of small holders in tea without any scientific knowledge of tea culture, a demonstration farm should be of particular use. The Tea Board in consultation with the State Government should consider the question whether the present Experimental Farm cannot serve such a purpose if it is put under suitably trained officials. While it will not be difficult for the State Government to arrange this, a more satisfactory arrangement would be for the Tea Board to undertake this. The State Agricultural Department is concerned with many crops other than tea, and the Tea Board will be in a better position to provide more specialised attention to the problems of tea cultivation. We, therefore, recommend that the Tea Experimental Farm at Palampur should be transferred to the Tea Board to be developed into a suitable demonstration farm to meet the needs of the Kangra District.

As tea is of great economic importance to the district and as the development of a good demonstration farm will be of undoubted benefit to the district, we recommend that the State Government should transfer the farm to the Tea Board free of charge.

Training for Advisory Officers.

17. We had suggested earlier that the Tea Board should make necessary arrangements for the specialised training of their advisory officers in tea culture in collaboration with existing tea experimental stations and agricultural colleges. Apart from advisory work which will carry scientific advice to the doorstep of the tea growers, it is also necessary to provide facilities for the training of planters so that those who wish to do so may take advantage of such facilities. At present the only facilities available in the country are the annual lecture courses provided by the Tocklai Experimental Station to young planters and would be planters.

18. Speaking of the need for the training of planters, the Commission of Enquiry on the Scientific Department of the Indian Tea Association appointed by that association in 1935-36 under Professor F. L. Engledaw, Professor of Agriculture, Cambridge, observed as follows:—

“It would be illogical to examine the question of advisory work without considering the planting community itself. In Europe and in America and tropical countries it has become very clearly recognised that advisory service to crop producers is not an isolated agency of progress but a part of the great undertaking of agricultural education. We feel that our terms of reference prevent us from making specific proposals but we respectfully and most strongly urge upon the Tea industry of North-East India, the importance of considering the recruitment and training of planters in the light of current developments in home and tropical agriculture”.

19. Another commission of Enquiry under the same chairman (Professor Engledaw) appointed by the Indian Tea Association which reported to them in 1953-54 observed that in view of the importance and complexity of tea growing and tea making changes during the past fifteen years, the question of recruitment and training of planters has now even greater claims upon the attention of the Tea industry.

Training youngmen for career in tea plantations.

20. We agree that the need for providing a suitable course of training in tea growing and manufacture for young men who contemplate making tea production a career, either as proprietors of their own estates or as employees of companies, is very real. Proper training in methods of tea culture and tea garden management in all its aspects will enable them to serve the industry with greater efficiency resulting in general benefit all round; such a course may suitably include methods of tea culture and manufacture, labour laws and administration, taxation and problems of Tea industry in India and

abroad. We accordingly recommend that the Tea Board in consultation with the industry should organise such a course in a suitable place, one in North India and the other in South India. We believe that the best way would be to organise such courses in association with the experimental stations at Tocklai and Devershola. The course we have in view here is for people with some general education who wish to make tea planting their career. They may be selected from those who have already entered the industry or those who wish to enter it. In the case of the new entrants, preference should be given to those sponsored by their prospective employers. The nature of the courses of training, the number of people to be trained, the methods of selection and other matters connected with any scheme of training will have to be worked out in detail by the Tea Board in consultation with the industry. We hope that in due course all managerial and supervisory posts in the Tea industry will be filled by those who have undergone such a course.

Common cadre advantageous for smaller companies.

21. As far as staffing of managerial and the higher supervisory posts is concerned, the gardens managed by the larger managing agency houses have the advantage of having a large cadre from which to draw upon. Transfers from one garden to another are possible under that system, so that managerial experience becomes more broad-based and disadvantages which can arise from a person having to remain in the same post throughout his career, are avoided. The smaller companies could also obtain the advantages of drawing upon a large cadre of experienced managerial personnel if they will combine together for the purpose of organising such a cadre. When such a cadre with suitable conditions of service and avenues for advancement is formed, it will be possible to get a better type of man than is now possible for the smaller companies. Any such association of producers for this purpose will have to be on a voluntary basis. We recommend that the Tea Board should give every encouragement for the formation of such common cadres.

CHAPTER XIX

REGULATION OF THE WORKING OF COMPANIES.

We have seen in an earlier chapter that the organisation of tea plantations has for historical and other reasons generally taken the company pattern under managing agencies. In this chapter we have dealt with certain aspects of the working of tea companies which have a bearing on cost of production and on administration.

Managerial and senior staff—particulars available for certain companies.

2. In Questionnaire I—Tea, we had asked for information about the number of managerial and senior staff employed in tea companies and their rates of pay and allowances. Only very few companies furnished information on a uniform basis. The information collected by the Ministry of Commerce and Industry in regard to the employment of Indians and Non-Indians is given in table below. The figures relate to 336 companies.

TABLE LXVI

Table showing number as on 1-1-55 of Indians and Non-Indians in the employment of tea companies on salaries of Rs. 300 and above

Salary Group (including all allowances)	Technical Posts		Managerial Posts		Total Posts	
	Number of Indians	Number of Non-Indians	Number of Indians	Number of Non-Indians	Number of Indians	Number of Non-Indians
(a) Rs. 300 to Rs. 499	176	10	280	4	456 (97%)	14 (3%)
(b) Rs. 500 to Rs. 999	59	73	160	175	219 (46.9%)	248 (53.1%)
(c) Rs. 1,000 to Rs. 1,500	14	99	90	366	104 (18.3%)	465 (81.7%)
(d) Rs. 1,501 to Rs. 3,000	4	142	26	497	30 (4.5%)	639 (95.5%)
(e) Above Rs. 3,000	..	13	..	40	..	53 (100%)
Total (All Salary Groups)	253	337	556	1,082	809 (36.3%)	1,419 (63.7%)

SOURCE :—Ministry of Commerce and Industry.

A study of the percentage of Indians and Non-Indians in these five salary groups is very revealing. As one moves up the salary scale, the percentage of Non-Indians increases while the percentage of Indians decreases correspondingly. The highest salary group consists entirely of Non-Indians.

Proportion of Indians and Non-Indians in 42 companies analysed.

3. In the following paragraphs particulars relating to 42 companies covering 39,421 acres (35 from North India and 7 from South India) which have been analysed by us are given. In these companies the position in regard to managerial staff is as follows.

There were 19 Indians and 62 Non-Indians in the 35 companies of North India in 1954 as compared to 11 Indians and 76 Non-Indians in 1939. In South India in 7 estates there were 10 Indians and 9 Non-Indians in 1954 compared to 2 Indians and 9 Non-Indians in 1939. Analysed according to categories of companies it is seen that in Northern India in 9 Sterling companies there were 4 Indians and 37 Non-Indians in 1954, as against 47 Non-Indians and Indian nil in 1939. In companies under Non-Indian managing agency there were 2 Indians and 19 Non-Indians in 1954 as against 21 Non-Indians and Indian nil in 1939.

Increase in salaries and allowances analysed management-wise.

4. The difference in salaries between Indian and Non-Indian managerial staff in 1954 is given in the following table.

TABLE LXVII

Table showing salaries of Indian and Non-Indian managerial staff (North India)

Type of Ownership/ Management	Number of Companies	Average pay and cash allowances per month	
		Indian	Non- Indian
		Rs.	Rs.
<i>Sterling companies</i> (Controlled by Managing Agents Secretaries etc.)	9	1,222.5	1,581.5
<i>Non-Indian Managing Agents Control :—</i>			
Non-Indian	6	Nil.	1,639.7
Partly Indian and Partly Non-Indian	6	887.5	1,704.5
<i>Indian Managing Agents Control :—</i>			
Indian	2	512.6	Nil.
Partly Indian and Partly Non-Indian	3	329.5	1,350.0
<i>Outside Managing Agents Control :—</i>			
Public Ltd. Indian	3	527.0	Nil.

All types of companies in North India engaged about the same number of managers (between 2 and 2.25 for every 900 acres).

The position in South India is shown in the table below :

TABLE LXVIII

Table showing salaries of Indian and Non-Indian managerial staff (South India)

Type of Ownership/ Management	Number of Cos.	Average pay and cash allowances per month	
		Indian	Non- Indian
		Rs.	Rs.
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries etc.)	1	Nil.	1,900
<i>Non-Indian Managing Agents Control:—</i>	2	666 to 1,075	1,475 to 1,700
<i>Indian Managing Agents Control :—</i> Indian	1	283	..
<i>Outside Managing Agents Control:—</i> Public Ltd.— India.	1	425	..

This shows that Non-Indian managerial salaries were nearly double those of Indian except in case of Sterling companies in the North.

5. Sterling and Non-Indian Rupee companies under Non-Indian managing agency paid higher salaries and cash allowances to staff. The difference in amounts paid as salaries to estate staff between Indian companies under managing agencies and Director controlled Public Limited companies on the one hand and Non-Indian Rupee companies and Sterling on the other was about Rs. 6 per 100 lbs. or 1 anna per lb. in 1953. The average for 4 years was Rs. 3 per 100 lbs.

Commission to staff.

6. Commission to managerial staff and other staff per 100 lbs. of tea amounted to between Rs. 3 and Rs. 4 in 1950 and 1953 for Non-Indian and Sterling companies, while it was Rs. 1.28 to Rs. 1.47 for Indian companies under Managing Agents and Director controlled Public Limited companies (*vide* Annexure LXXXIV of chapter XIV). The former paid a little more than half an anna per lb. while the latter paid a little less than one pice per lb.

Commission to Managing Agents.

7. Commission to managing agents, agents and secretaries is one of the items which increases costs. Managing Agents (in which term we include agents and secretaries also) draw commission on profits ranging upto 10% or a commission on gross sale proceeds ranging upto 4% or on both. In addition, they get an office allowance ranging up to Rs. 2,500 per month, a commission on stores purchased ranging upto 5% of the invoice value, a commission on recruitment

of labour which is about Rs. 2 per worker, a commission on shipments made or number of tea chests sold, which ranges upto Rs. 5 per chest. The managing agents advance money to the companies for which they charge interest at bank rate plus about 1%. They also guarantee loans made by banks to the companies for which a commission usually $\frac{1}{2}$ to 1% of the loan amount is charged. In the South, managing agents in addition took a commission for specific services such as building contracts, printing, supervision of replanting etc. The managing agents are, under the usual form of agreement permitted to retain any profits earned by them for services contracted for by them on behalf of the managed company, such as commission earned on shipping and insurance effected on behalf of the managed company, etc. The commission paid to managing agents, secretaries by 201 tea companies was Rs. 140 lakhs in 1950. In 1953 the corresponding figure was Rs. 164 lakhs. Percentages of commission as related to the net profits plus this commission varied between 10 and 15 per cent in 1950. In 1953 it varied between 9 and 12 per cent. Even in 1952 when most companies registered losses, the total commission paid by these 201 companies amounted to Rs. 91 lakhs.

8. The possibility of any reduction in production costs lay partly in bringing down the administrative costs incurred on Non-Indian managerial staff and managing agencies mentioned in the above paragraphs. The figures given in the chapter on Cost of Production show that costs are higher in companies under Managing Agencies than under Director controlled Public Limited Indian Rupee companies; this is particularly so as regards commissions to managing agencies and managers.

9. We have made recommendations for the creation of new co-operative organisations for supplies, insurance and marketing and greater assistance from the State Bank of India and State Finance Corporations. When these institutions for finance, marketing, supplies etc., recommended by us are fully developed, the need for the managing agency system in the Tea industry should disappear.

The present method of paying a commission to salaried staff either on gross sales or profit views an employee as a split personality, to be paid a commission for the different services he performs and at the same time a salary as a whole-time employee for discharging those very services. We recommend that remuneration to staff should take the form of a fixed salary.

Disproportionate salaries—Tea Board to be empowered to examine.

10. High managerial overheads are by no means essential for efficient productivity. They are only an accident of historical circumstance. We suggest that the Tea Board should be empowered to examine cases of disproportionately high remunerations paid to managerial and other senior staff in tea companies and when necessary advise companies concerned in this connection and exert its influence in reducing the disparities that exist at present.

Future recruitment of Non-Indians to be controlled.

11. High salaries paid to the Non-Indian staff are sought to be justified by the companies on grounds of monotony of life on a plantation far removed from civilised habitants, on the need for managers to have dual establishments—one in England and one here—the difficulties of schooling their children and so on. Though the employment of Indian managerial staff may not bring about any change in existing managerial efficiency, there may be the natural reluctance on the part of Non-Indian companies to entrust Indians with the responsibility of looking after their affairs. Since Indian managerial staff are willing to work and are available at lower scales of salaries than the Non-Indian and in view of the necessity for economising costs, we recommend that an increasing number of Indians be appointed in the managerial cadre of tea companies. In this connection we quote below the evidence of the West Bengal Government :—

“The number of Indian nationals recruited to the Industry’s cadre of officers is painfully low. Training facilities should also be arranged for imparting to Indian nationals the required technical knowledge as would qualify them for a garden managers’ job”.

We have made suggestions in the chapter on Research, Training and Advisory Services regarding training of managers.

Audit of tea companies.

12. The auditors of many Sterling companies declare in their audit certificates “returns received from and certified by company’s agents in India have not been audited”. In the case of the Rupee companies also the auditors certificates indicate that certified returns from gardens are accepted as such. We feel that it is essential that a system of local audit of the garden expenditure and other branch office expenditure should be insisted upon by the Government in the case of all companies. The Indian National Trade Union Congress have indicated in their memorandum that this lack of proper audit of garden account leads to distrust of the figures furnished by management to labour representatives.

Regulation of companies.

13. Under the new Companies Act, the approval of the Company Law Administration is necessary regarding appointments of managing directors, increase in the number of directors, continuation of managing agents, terms of managing agency agreements, applications for certain types of loans and revaluation of assets; the Company Law Administration is also authorised to remove disqualifications of directors and managers, examine investments of companies, inspect the companies in respect of anti-social acts and wherever necessary order compulsory amalgamation of companies. These powers are obviously in the interests of promotion and development of companies on right lines. On the other hand under Section 10 of the Tea Act, 1953, it is the duty of the Tea Board to promote, by such measures as it thinks

fit, the development (under the control of the Central Government) of the Tea industry. So far as the tea companies are concerned, both these bodies would, therefore, be interested in seeing that the regulatory powers under the new Companies Act are exercised in the best interests of the Tea industry. We, therefore, suggest that in regard to the above mentioned powers there should be consultation among the ministries concerned, the Company Law Administration and the chairman and vice chairman of the Tea Board. They should decide as to which powers should be delegated to the Tea Board, which should be exercised after its consent and which by the Company Law Administration directly.

Capital Issue control to Apply to All Companies

14. According to Capital Issue Control Act, application for permission to issue of new capital need be made only in case of increases of capital to over Rs. 5 lakhs. Our analysis of the capital structure of Rupee tea companies reveals that the majority of tea companies lie in the group of Rs. 2 to 5 lakhs paid-up capital. We have also seen that the practice of issuing bonus shares and capitalising reserves has been widely prevalent amongst tea companies. In order to see that bonus issues and capitalisation do not lead to abuses, it is necessary, in our opinion, that in the case of plantation industries the limit of Rs. 5 lakhs should not operate and that all plantation companies should be required to seek the permission of the Controller of Capital Issues before increasing their capital either by new issues or by capitalisation of reserves.

Capital Issue Control to apply to all Companies

15. Between 1950 and 1955, 63 tea companies are reported to have newly registered. As many as 26 tea companies are reported to have ceased working during the same period as shown in the table below :

TABLE LXIX

Table showing the number of companies that were registered and the number that ceased working

Year	Number Register- ced	Number that ceas- ed work- ing
1950-51	16	2
1951-52	15	2
1952-53	9	9
1953-54	10	7
1954-55	13	6
	63	26

It will be noted that the largest number of closures happened in 1952-53 and thereafter. This is generally attributed to the fall in price in 1951 and 1952. Poor yields, high dividends, small capital and heavy borrowings at excessive rates of interest were also said to be other causes leading to closures of companies. A study of the winding-up of Indian companies would be fruitful. It would throw useful additional light on the several contributory causes that lead to such closures.

CHAPTER XX SALE OF TEA ESTATE

Recent sales of estates—general characteristics of estates sold

One of the points which the representatives of labour brought to our notice was that since the termination of World War II, a good many tea estates in the ownership of foreign companies and individuals have been purchased by Indian nationals and that in the majority of the estates sold which included also marginal ones, replantings were overdue at the time of sale for which the buyers often made no provision. It was urged that in the circumstances, the gardens concerned often became seriously uneconomic in working. It was also pointed out to us that various consequences followed from such sales—Indebtedness to banks for such purchases at high rates of interest was one; want of resources to maintain the estate was another; strained labour-management relations due to want of money to pay wages was the third; too many changes in managers and subordinate staff was the fourth; as sellers would not incur even essential expenses on their estates intended for sale the buyers had to incur larger expenditure to restore the purchased estates to normal health. If bushes too were old, the new buyer could never attempt replanting at present day costs. Newly purchased estates were, therefore, in some cases a problem by themselves. The Minister for Commerce and Industry Shri T. T. Krishnamachari observed as follows at the meeting of the Export Advisory Council on 27th November, 1955.

“I am not quite sure that certain changes that are occurring in the ownership and management of tea gardens are conducive for expanding tea production. Tea occupies the place of primacy in our export schedule and if this trade is likely to be jeopardised in any way I am afraid Government will have to take a more serious interest in the management of tea gardens.”

Even where the new owners had ample resources, purchase at high prices naturally compelled an attitude in the management to stint on essential expenses, resulting in the low quality of tea and maximise a return on the over-capitalized purchase of the estate. According to Assam Government, “Some European Tea Gardens have been purchased by a certain section of people in India who pay little attention towards improving the quality of tea and as a result prices of tea manufactured by them have considerably gone down and Indian tea has failed to maintain the standard so far as quality is concerned. It is suggested that there should be some check in this regard”. It was alleged that where such sales take place neither the seller nor the buyer makes any provision for meeting the claims of labour and staff consequent on the change of ownership. We were also told that these sales received an impetus because of high profits during the war period and after the industry's boom since 1953. The buyers were in many cases new to the industry and were attracted to it because of the high profits earned by some of the units in 1953 and thereafter. Some of the previous owners who were addressed by us, have given certain

data from which it is seen that bushes planted before 1900 formed a substantial acreage in the case of some and to a lesser extent in others. In one large estate in the Jorhat area in Assam which we visited, we were told that the average age of the bushes was 50 and that only with large scale replanting could the yield which was only 8 mds. per acre, a comparatively low figure for that area, be improved to make the estate economic in working. We were also told that before change of ownership, the estate had a good complement of supervisory staff and that after the sale, their number and emoluments were reduced.

Prices per acre high

2. In Appendix XX is given a list of tea estates of foreign ownership which have been purchased by Indian nationals in the last few years. In it is also given information about the purchase price per acre in regard to some of the estates for which information is available. The list has been prepared from the particulars received from the Tea Board and also from the information we received from the estates in reply to our questionnaire and further inquiries. The sale price per acre for sales of estates in Madras State, which were effected between the years 1946 and 1951, averaged to Rs. 2,111* and for the year 1954 Rs. 4,084†. The figures for Travancore-Cochin State for the years 1946 to 1952‡ were Rs. 2,025 and for the year 1954 ** Rs. 1,713. In the recent sales of estates of Sterling companies, in some cases the price per acre was as high as Rs. 3,000. If a return of at least 4% on the purchase price per acre is to be obtained over a long period, the prices paid in some of these cases were excessive leading to all the bad consequences that usually followed from over capitalisation. From the replies to question No. 34 to the Questionnaire I-Tea, regarding requirements of funds for meeting capital expenditure in the next five years furnished by some of the estates referred to, we find that the requirements given by them are very high. The additional funds are stated to be needed for replanting and replacement of machinery and equipment. If these additional amounts which have to be invested for renovation of the estates are also taken into account, it would seem that the sale prices of some of the recent sales were high. We, therefore, recommend that if the seller or a prospective buyer so desire, the Tea Board should send its expert evaluators to assess the price of the tea estate. Such evaluators should be selected out of a panel of experts to be maintained by the Tea Board and a suitable charge for this service may be made from the parties concerned. Such evaluations should also be done for the benefit of the Department of Company Law Administration and the Reserve Bank of India, as and when necessary.

Safeguards for labour and staff

3. So far as labour is concerned their interests are protected, since under clause 25 (F) of the Industrial Disputes Act, 1947, which is applicable to Plantation Industries, workers appear to be entitled to

NOTE* is the average of prices of estates marked A in Appendix XX.

†is the average of prices of estates marked B in Appendix XX.

‡is the average of prices of estates marked C in Appendix XX.

**is the average and prices of estates marked D in Appendix XX.

compensation if they are discharged as a measure of retrenchment by the buyer or seller. In order, however, to make sure that the buyer becomes aware of his obligations to the workers employed and takes responsibility for their continued employment on the same terms as under the previous employer, there should be a stipulation in the deed of transfer that the buyer takes the responsibility and the buyer should also intimate accordingly each employee so taken over, under advice to the State Commissioner of Labour. Where that is not done, the alternative should be for the seller to be required to compensate his labour under Section 25(F) of the Industrial Disputes Act, as if they were being retrenched and for the buyer to engage them afresh. In such a case, to avoid hardship to the retrenched labour, the provisions of Section 25 (H) of the Industrial Disputes Act which gives retrenched labour priority in the matter of re-employment, should apply to the buyer. A tribunal in Assam has delivered the following judgment in respect of staff: "when an estate is sold as a running concern, the incoming management must take over the staff in addition to ordinary labour on the same terms and conditions they had under the outgoing management." The principle stated in the judgment should be followed invariably in all cases of changes of ownership of estates.

Proposed development Staff in Tea Board should render assistance to new owners

4. It was also represented to us that in many cases on change of ownership, there was a serious fall in the standards of estate management, and neglect of measures essential for the continuance of the estate in a state of economic health. The Commission has already proposed that a development staff should be responsible for implementing a phased programme of replanting as well as replacement and renewal of plant and machinery drawn up by the Tea Board in consultation with the producers concerned. It has further proposed that Government should take steps to ensure that necessary financial provision for it is made by various gardens before they declare dividends or repatriate profits. This staff should also survey the newly, purchased estates and provide every assistance to the new owners where necessary to bring the fixed assets to a normal condition.

Conclusion

5. We have already pointed out in the earlier chapters the important role which the Tea industry plays in the national economy of the country. The industry's continued welfare and prosperity have, therefore, to be jealously safeguarded. If there are indications that particular units are not properly managed, they have to be investigated and remedial measures taken. We have already recommended in the chapter on the Maintenance and Up-keep of Bushes, that Government should assume legal powers by a suitable amendment of the Tea Act to make investigations and issue such directions as may be found necessary for the proper maintenance of the fixed assets of any tea estate, and this we hope will be sufficient safeguard to ensure that there will be no serious fall in standards of estate management and

consequently in productivity. Elsewhere in the report, we have made the recommendation that when the ownership of tea estates changes, the buyers should lodge with the Tea Board (which will be the authority that will be maintaining the accounts of annual contributions towards the Tea Replanting fund) a sum of money towards arrears of replantings. This will ensure that the essential requirements of replantings will not be neglected. We have also made the recommendation in the chapter on Plantation Labour Act and Labour Welfare that in the event of an estate being brought to sale before the phased programme of implementation of the provisions of Plantation Labour Act is completed, the State Government should assess the undischarged liability of the seller in regard to his obligations under the Act and recover such amounts as may be necessary for this purpose from the seller before registering the sale. These and the other measures which we have recommended will, we feel, remove some of the factors likely to be responsible for the uneconomic working of tea gardens on change of ownership and safeguard the interests of workers.

CHAPTER XXI

EXPANSION AND DEVELOPMENT

International tea agreement—its objective

A study of the history of the Tea industry will show that it faced alternating periods of prosperity and depression before 1932. The International Tea Agreement of 1933 was an attempt by important producing countries, of which India is one, to remedy this situation. The objective of the agreement was to stabilise the industry by adjusting supplies to demand. This adjustment was attempted to be achieved by imposing certain restrictions on extension of tea areas and on exports of tea and at the same time resorting to propaganda to increase consumption of tea. The restrictions imposed by the agreement in its implementation do not appear to have hampered normal expansion of the Tea industry in India, since even the extensions of acreage of tea permitted under the agreement have not been fully utilised by the industry as shown in table below.

TABLE LXX

Table showing acreage for which permits were issued for extension for tea cultivation and the acreage planted

(Cols. 2 to 7 are in acres)

Region	Permits issued during the Regulation period			Permits utilised up to the 31st March, 1953		
	1943-48	1948-50	1950-55	1943-48	1948-50	1950-55
1	2	3	4	5	6	7
North India . . .	6,403	*21,423	27,677	4,873	10,642	6,348
South India . . .	1,883	*9,821	10,164	1,540	4,984	2,903
All India . . .	8,286	30,807	37,841	6,413	15,626	9,251

*Including permits to New Comers.

North India 250 acres.

South India 1,223 acres.

SOURCE :—Tea Board.

Its effect on expansion of tea acreage

2. The permits for extension of cultivation granted when the first two agreements were in force from 1933 to 1938 and 1938 to 1943 respectively, lapsed with the agreements; but all the permits issued since 1943 were revalidated from time to time till 31st March, 1955 when the last agreement expired. Taking the regulation periods of 1943 to 1955 together, it is found that out of permits for 76,934 acres

issued, only 31,290 acres were planted till the end of March 1953, which amounts to 40·7% of the area for which permits were issued. The main reasons for this shortfall are intensification of production in existing areas, lack of necessary finance, the growing labour and other costs, the time taken to get a return on money spent in planting, and a certain lack of confidence resulting from the depression through which the industry passed in 1952. Though expansion of the area under cultivation has not proceeded up to the limits permitted by the International Tea Agreement, the increase in production of tea during the period was much more than proportionate to the increase in acreage. In the early years, the quantities permissible for exports under the agreement, were released in full and they were almost wholly utilised for export, the unutilised allotment in quinquennium ending 1937-38 being less than 0·5%. Later on, the actual releases for export were less than the quantities permissible under the International Agreement as will be seen from the table below :

TABLE LXXI

Table showing standard exports of tea permitted by the International Tea Committee during regulation periods and the actual export sanction by Government in these periods.

Year	Permissible exports under International agreement expressed as percentage of standard export	Exports allotment promulgated by Government of India expressed percentage of standard export
1950-51	130	130
1951-52	135	130
1952-53	135	130
1953-54	135	125·5
1954-55	135	133·5

Its beneficial effects on the industry

3. One weakness of the International Agreement has been, that of the 16 tea producing countries in the world, only 4 namely India, Ceylon, Pakistan and Indonesia have been parties to it. However, it is the production of these four countries that meets the major part of the demands of tea in the international market for tea. The agreement expired at the end of March 1955. The general consensus of opinion in the industry is that the machinery provided by it should be continued and that every effort should be made to bring into its fold other producing countries as well. As the Tea Board puts it, "when production is less than consumption, control can be regulated so that it is nominal only, and when production is about to exceed consumption, the machinery is there to regulate the supplies of tea going out into the world market". The restrictive effects of the agreement on the Tea industry in India both as regards extension of cultivation and exports, have been hardly more than nominal in recent

years. Another advantage in continuing the machinery of the International Tea Agreement is, again as the Tea Board puts it, "it focuses attention on world figures of production, imports, exports, and acreages and it is vitally important for the well-being of the producing countries that such world figures should be continually and closely studied". The question of renewing the agreement which expired at the end of March 1955 is at present under discussion between the Governments concerned. It would be desirable to continue the machinery provided by the agreement so that all problems of the industry concerning production and absorption may be kept under constant and close study by the International Committee and regulation initiated if and when the situation demands it.

Government and Tea Board should have reserve powers

4. The powers taken by Government to regulate the extension of tea cultivation and exports contained in the Tea Act originated in the first instance as a result of India's obligations under the International Tea Agreement undertaken since 1933. Quite apart from any obligations which may or may not arise under International Agreement, it will be necessary for Government and the Tea Board to have necessary reserve powers to regulate the orderly development of tea cultivation and exports.

Further expansion and development—the objective

5. In considering the question of the further expansion and development of the Tea industry in this country, we feel that the objective should be a regulated expansion of production so that the supply approximates as closely as possible to demand. At the same time, efforts should continue to be made so as to lead to a steady increase in consumption of tea both in the home market and abroad by organised and systematic propaganda. This, of course, is the general policy followed by Government and the Tea Board. Continuous and effective action is necessary for the promotion of Indian tea abroad in view of our great need to exploit fruitfully all our resources which earn for us the much needed foreign exchange. Since India left the International Tea Market Expansion Board in 1952, under the new procedure adopted by Government, Joint Tea Promotion Councils have been established in certain important consuming countries abroad in collaboration with Tea Trade organisations of the countries concerned, for the promotion of tea consumption. Such joint tea promotion councils or corporations have been established so far in U.S.A., Canada, West Germany, Eire and the Netherlands. The Tea Board has also been participating in international exhibitions and fairs with the object of promoting tea sales. Delegations have also been sent out by the Tea Board to study tea trade conditions and the possibilities of expansion of tea trade abroad. Such promotion activities should be continued and intensified. These functions could be better performed if the Tea Board appoints an export promotion committee consisting mainly of exporters of tea for looking after various matters relating to expansion of Indian tea sales abroad. Arrangements should be made for carrying out well planned market studies in tea consuming countries abroad

with a view to the formulation of suitable plans for the expansion of our tea sales. Suitable market studies should also be conducted in India. Special efforts must also be made for the intensification of tea promotion work in India as the potentialities of the internal market are very great, and a large and growing internal market is necessary for the stability of the industry.

Estimates of probable world demand

6. The regulation of the expansion of production so that no serious imbalance may develop between supply and demand, is a difficult problem, because with a commodity like tea, it is difficult to estimate with any pretensions to accuracy, the probable growth in demand. A study of the imports of tea into the non-producing tea consuming countries of the world and the estimated consumption in producing countries will give some indication of the trend of world demand. A graph representing this trend, constructed with the help of figures available in the International Tea Committee's Bulletin of Statistics will be found in Annexure XCIX. On the whole the trend shows that the world demand for tea is on the increase; though there has been a shift in the demand among importing countries, U.K. and other Commonwealth countries did not show increased consumption in proportion to population over a series of years.

Estimate of probable increase in production in India

7. One factor in favour of tea as compared with other beverages which are its competitors, is its relative cheapness. Any substantial increase in price, or deterioration in quality are factors that will affect demand in the long run. Maintenance and improvement of quality are of the utmost importance for keeping up demand. As far as production of tea in India is concerned, it will be seen from Annexure C., which gives production per acre district-wise in the various tea growing regions for the last few years, that there has been a gradual increase. This increase has been achieved by better manuring, better agricultural practices and pest control measures taken up with vigour by the larger sections of the industry. In the last 5 years there has been an increase in production of about 66 million lbs. It may be expected that in the next 5 years there will be similar increase in which case by 1960-61 production may reach the figure of 710 million lbs. Provided measures for the promotion of tea consumption in India and abroad are pursued energetically on well planned lines, there is no reason to think that the increased production will not be absorbed. In our assessment, the immediate problem before the Tea industry in India is not so much any large scale extension of the area under cultivation as of continued maintenance of results already achieved and improvement of existing assets. As a result of the introduction of the cheap tea scheme and the increase in national income, the internal consumption is likely to increase. This may, in course of time, necessitate new areas being brought under tea cultivation. In entering into any international agreement, powers should be reserved to enable the Government to allow the necessary expansion to take place without restriction. In an earlier chapter we have already drawn attention to

the urgent need for replanting. Rehabilitation of existing assets improved manuring and cultural practices, and extension of the areas of cultivation on a moderate scale will meet the requirements of increasing demand, and avoid the dangers of serious over-production. In the matter of maintaining and improving production, special measures will be necessary to help the weaker sections of the industry. We have dealt with some of these already when discussing the problems of the small producer.

Need for new planting—Tea Board to survey areas suitable for new planting

8. When the time for replanting comes, some of the tea lands may have to be abandoned for climatic reasons or because of their difficult terrain. To make up for the acreage thus lost new lands will have to be brought under tea. In order to ensure that land is available when the need for it arises and also to provide for possible expansion of the industry in the future, the existing blocks of virgin land suitable for tea growing in the tea growing States should be reserved for the industry. What we have in mind particularly in this context is the rich and high yielding regions in Assam Valley. We have no doubt that in this matter the co-operation of the States will be forthcoming as the industry is a source of revenue to them and besides no other agricultural crops can be regularly raised in the lands. We, therefore, recommend that the Tea Board should with the help of the States have a proper survey made of such lands, maintain a proper record of them and come to an agreement with the States so as to ensure that the lands are not diverted to any other purpose.

Ceiling on Land Holdings

9. One important point that emerges when considering the question of the development of the Tea and other plantation industries is the question of application of ceilings to land holdings which some of the State Governments may have imposed already or may be imposing in future. As far as we have been able to ascertain, most of the State Governments in which plantations are situated have no intention of fixing ceiling on landholding in the plantation industry. We consider that this is the best policy to adopt in the case of plantations. Though the operations in the plantations are largely agricultural in character, most of the larger plantations have been organised in such a manner that they derive the economic benefits which usually accrue from production on a large scale. Any attempt to break up these large producing units which have been organised on a certain pattern to work under centralised managements, with a view to distribute the land in small plots to individual cultivators, will result in a serious fall in production. The conditions which obtain in ordinary agriculture where a large land owner leases his land to a numerous body of tenants who pay rent and cultivate their holdings, are different from those in the case of a large plantation which is run as a single unit of production under one management employing hired labour. In the case of plantation crops also, where small holdings are already in existence, it is no doubt possible to organise them into co-operatives for the

purpose of production and marketing. In fact such organisation into co-operatives is necessary for their improvement and survival. But in the case of plantations which are already worked as large single units of production, any attempt to change their structure by breaking them up into numerous small units will result in a break down in production.

Tea Plantation in Punjab to be exempt from the Land Tenure Act, 1955

10. In the Punjab this aspect of the matter does not appear to have been recognised. The Punjab Security of Land Tenures Act, 1955, is applicable to plantations. Under that Act, tea estates could be asked to hand over to tenants their areas in excess of 30 acres. The Kangra Valley Tea Planters' Association strongly represented to us that the provisions regarding ceilings on land holdings should not be applied to tea estates as the economic working of the larger estates will be seriously jeopardised by such a measure. For reasons mentioned in earlier paragraphs, we recommend that the tea plantations in the Punjab should be exempted from the provisions of the said Act.

Organisation of the Tea Board—some suggestions

11. We have mentioned earlier that for bringing about development of the Tea industry under the control of the Central Government, the Tea Board has been assigned very wide functions (*vide* Section 10 of the Tea Act, 1953). Under this Act the Tea Board was reconstituted in April 1954. While it has actually been performing some of the functions assigned to it, the Board will be required to equip itself further for the performance of several other functions if our recommendations are accepted by the Government; we list below some of these functions :—

- (i) Maintaining replanting reserves on behalf of all estates.
- (ii) Having a cost of production unit for collecting and analysing cost of production data and advising the estates in this regard.
- (iii) Organising tea auctions.
- (iv) Arranging warehousing.
- (v) Co-ordinating the supply of finance for the Tea industry.
- (vi) Drawing up a phased programme of rehabilitation and development of fixed assets and having an inspectorate for extension and advisory work.
- (vii) Certifying revaluation of fixed assets whenever necessary.
- (viii) Having a unit to look after the needs of the industry for efficient and economical procurement of various kinds of supplies and stores and for encouraging the development of co-operative institutions in this connection.
- (ix) Administering the Tea Export Control Scheme in view of the abolition of export quotas.
- (x) Advising the industry in well co-ordinated recruitment of managerial personnel and in establishing suitable training institutions for them.

- (xi) Establishing suitable liaison with the Department of Company Law Administration in the Central Government for the administration of the new Companies Act in relation to the tea companies.

Standing Committees to be constituted for carrying out proposed additional functions

12. Several of these functions would be fairly 'technical' and would need the advice and guidance of experienced planters and other experts connected with the Tea industry. For carrying out these functions effectively, we feel, that it would be desirable to provide for the constitution of some more standing committees of the Board. Elsewhere in our report we have recommended that there should be a standing committee for marketing to help the board in its function of regulating sales at Calcutta and Cochin auctions. This committee can also look after tea promotion work in India and abroad.

We have also recommended the constitution of a plantation finance committee to keep in close touch with the financial needs of the industry. This committee can also look after development work such as mentioned under (i), (ii), (v), (vi), (vii) and (viii) in paragraph 1 above.

In addition, we suggest the constitution of a standing committee for general administration and labour welfare to look after schemes of labour welfare and functions listed under (ix), (x) and (xi) in paragraph 1 above.

Experts to be co-opted on these committees

13. Elections to the various standing committees should provide for the representation of concerned interests. According to the provisions of Section 8, Sub-section (4) of the Tea Act it is not possible for non-members of the Board to be appointed on the standing committees. Provision should, however, be made in these committees for co-optation of experts whose knowledge and experience would be useful for their functioning. These experts could sit as non-voting members; the opinions of these experts, however, should be given in the proceedings even if other members do not agree with them.

Chairman of Tea Board to be *ex-officio* Chairman of the Committees

14. The Chairman of the Tea Board should be *ex-officio* Chairman of the standing committees (except the Licensing Committee for Southern India which would elect its own Chairman). Also each standing committee should have an elected Vice-Chairman (except the Licensing Committee for Southern India).

Constitution of the executive committee—its function

15. The Executive committee should consist of nine or more members including the following:—

- (1) Chairman of the Board. (2) Vice-Chairman of the Board. (3) Vice-Chairman of all standing committees and the Chairman of the Licensing Committee for Southern India. (4) two other members of the Board.

In general all proposals should initially come from the standing committees. The Executive committee should co-ordinate the recommendations of the various standing committees. The recommendations of the committees would, of course, be subject to the approval of the Board.

Tenure of the Vice-Chairman to be co-extensive with that of the Board

16. We find that according to the present rules the Vice-Chairman of the Board is elected every year for a period of 12 months. We suggest that the tenure of the Vice-Chairman should be co-extensive with that of the Tea Board, *i.e.* 3 years.

17. If the suggestions mentioned in the above paragraphs are put into effect, we have every hope that the standing committees would include persons representing the interests concerned and experts with knowledge and sufficiently long experience in the Tea industry. The Board as a whole should then be in a better position to carry out its functions.

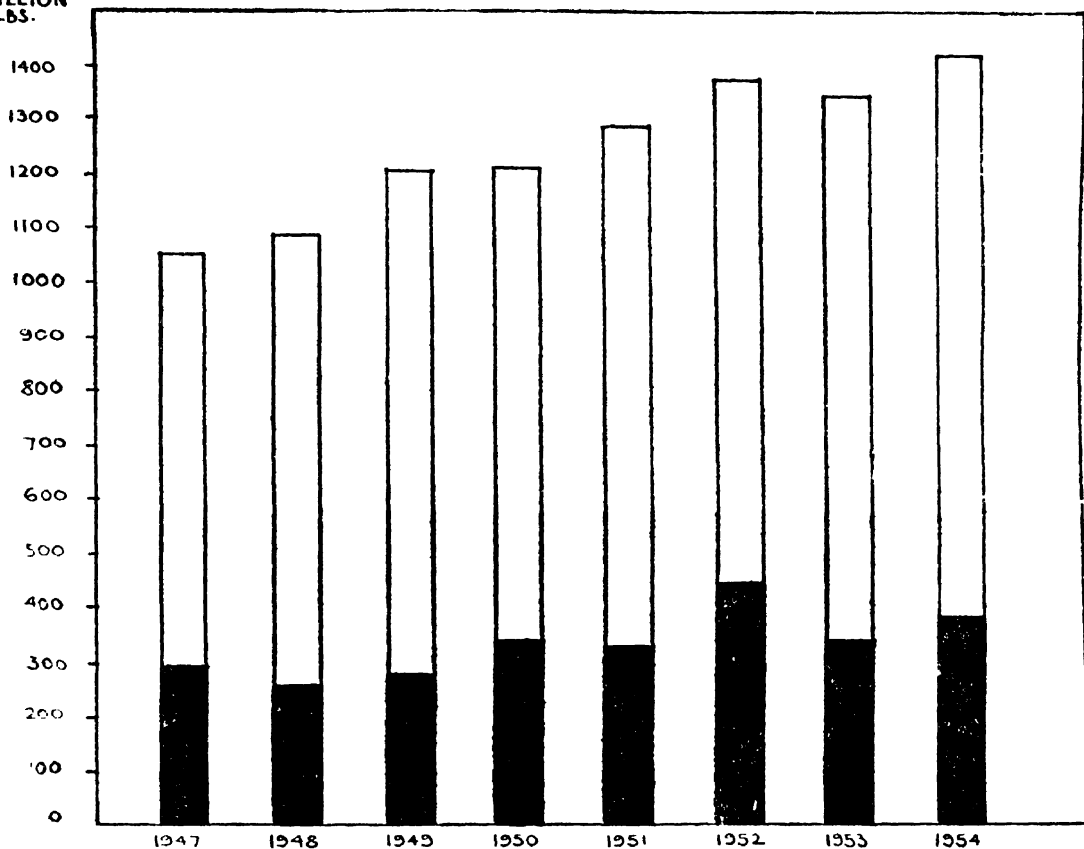
Organisation for Development and Control of the Tea Industry in the Central Government

18. In view of the larger number of functions that the Tea Board will in future be required to perform and in view of some of our other recommendations, for example, the one for establishment of a Central Labour Welfare Organisation, the work connected with the control and development of the industry at the level of the Central Government will also increase largely. Further our recommendations under Coffee and Rubber Sections of the report may also add considerably to the work regarding the plantation industries. Our suggestions regarding any organisational changes in this regard at the level of the Central Government will be submitted when we complete our reports on Coffee and Rubber also.

CONSUMPTION OF TEA IN MAJOR PRODUCING & NON-PRODUCING COUNTRIES

1947 TO 1954

MILLION
LBS.



CONSUMPTION IN NON-PRODUCING COUNTRIES.

CONSUMPTION IN PRODUCING COUNTRIES.

CHAPTER XXII

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

Chapter I—General

Amongst the principal tea producing countries of the world, whose teas participate in international trade, India occupies the first place both in acreage and production. (Para 1)

Though the internal consumption of tea in India has been progressively increasing during the last few years, the major part of the Indian crop is exported. (Para 2).

The large volume of exports gives the Tea industry a place of great Importance in the Indian economy as a substantial earner of foreign exchange. (Para 3)

The Tea plantation industry provides direct employment to more than a million workers in the country. The industry is thus the largest employer of organised labour. (Para 4)

Tea being a commodity which is subject to direct taxation by way of excise duty, export duty and a cess under the Tea Act, the industry makes substantial direct contributions to Central Revenues. (Para 5)

The Tea industry is the mainstay of the Plywood industry in India. (Para 8).

The total quantity of manures purchased by tea estates in 1954 was 82 thousand tons, valued at Rs. 2:86 crores. Of this 73 thousand tons, valued at Rs. 2:54 crores, was of Indian manufacture. (Para 9)

In the year 1954 freight earnings from tea were 3:86 crores of rupees, comprising about Rs. 2 crores for Railways, Rs. 1:62 crores for River Transport companies, and Rs. 0:24 crores for Air Transport companies. (Para 10)

The Tea planting industry has played a valuable part in opening up and developing what were previously inaccessible jungles and forests. (Para 11)

Chapter II—Geographical location of the tea growing areas in India

In North India, Dooars and Terai region of West Bengal has the highest yield per acre and Ranchi the lowest excluding Almora. In Kangra the yield is nearly as low as that in Ranchi. Dehra Dun has also a poor yield compared to Dooars and Terai. The yields in Darjeeling are also comparatively low owing to high elevation and in Cachar owing to various adverse factors. (Para 10)

In South India the yield is highest in Anamalais. The average yield of the other regions is below that of Assam. Unlike North India, tea is made throughout the year in the South. (Para 11)

Chapter III—The structure of the Tea industry in India

The requirements of capital, technical equipment and an organised marketing service explain why, by and large, the units of production in the Tea industry have taken the shape of comparatively large estates or plantations instead of small holdings. (Para 4)

In most regions, the tea estates hold lands in considerable excess of the areas which actually bear tea. Much of this land is unsuitable for tea culture and better fitted for growing rice or other crops. In most regions, a good proportion of the surplus land also supports jungle which provides firewood, bamboo and thatch, and provides space for the grazing of cattle and other amenities needed by rural communities. (Para 5)

Thirteen leading agency houses in Calcutta control over 75 per cent of the tea production in North India; out of these 7 companies control more than 50% and 5 companies as much as 36% of the production. (Para 14)

Eight agency houses of producers in Calcutta with their associate firms purchased over 50% of tea at the Calcutta auctions in 1954. When we consider the retail distribution of tea in India, we see that 85% of it is controlled by two leading firms.

In an industry in which capital is so largely in the hands of foreign business houses and 75% of whose production is controlled directly by a limited number of agents of these foreign firms and whose produce is sold largely to the same foreign country and in many cases through the same agents, it is inevitable that there should be a high degree of concentration. (Para 16)

Chapter IV—Capital Structure

Between 1939 and 1953 the figures of shareholdings reveal an over-all fall of 10·4% in the share-holdings of Non-Indian sector and a corresponding rise in the Indian sector. There has been a fall of 9·1% in total Individual share holdings off-set by an increase in the holdings of Institutional Investors and Managing Agents. The fall in Non-Indian Individual share-holdings is 17·6% but the rise in Indian Individual holding is only 8·5%, the remaining having gone to increase the holdings of Managing Agents and Institutional Investors. (Para 5)

of which Rs. 40·51 crores (35·8%) is Indian and Rs. 72·55 crores of which Rs. 40·51 crores (35·8%) is Indian and Rs. 72·55 crores (64·2%) Non-Indian. (Para 17)

57·4% of the reporting Rupee companies have paid-up capital ranging upto Rs. 5 lakhs and 26% between Rs. 5 and Rs. 10 lakhs. The number of companies having paid-up capital of over 20 lakhs is only 3%. (Para 20)

The proportion of reserves to total assets in 1953 is higher in the Indian group than in the Non-Indian group. In all the groups excepting Sterling and the Private Limited Indian Control there is a fall between 1946 and 1953. This indicates in part the capitalisation of reserves and drawing in on reserves to meet the 1952 crisis. (Para 33)

Between 1939 and 1953, bank borrowings taking all groups, together increased, on an average by 887%. Although there has been an increase in available working funds from year to year, the working costs have increased more than proportionately. (Para 40)

The growth in the paid-up capital from 1939 to 1953 for the companies under various types of management shows that the increase is not very significant. What little increase there has been, is almost wholly accounted for by the issue of bonus shares or rise in the face value of the shares. The capitalisation of reserves may not in itself be objectionable so long as it does not lead to over-capitalisation or any abuse but when these reserves are created by revaluing fixed assets and transferring the increased valuation as capital reserves, as has been done by many companies, and these reserves are then utilised for augmenting the share capital, share capital seems to have little relation to actual investment. (Para 44)

There is need for exercise of more rigid scrutiny before sanctioning new capital issues especially in cases arising out of purchases of proprietary estates, conversion of Sterling companies into Rupee ones and issue of bonus shares as a consequence of revaluation of fixed assets. (Para 47)

The growth in internal resources of the companies has not been commensurate with the needs of the industry in respect of maintaining the fixed assets in a normal condition. (Para 50)

In the absence of fresh additions to paid-up capital, the retained profits have been the main source of finance for the industry.

A limitation on dividends by half would itself have enabled most companies to increase their internal resources by about 25%. (Para 51)

In order to provide for a continuous growth of the industry, it is necessary that finance should be made available in sufficient quantities and that the agencies providing the finance should operate with greater flexibility. (Para 52)

We feel that the response of the capital market to debenture issues by tea companies should be favourable. We recommend that tea companies adopt this source of finance for future capital to an increasing extent. (Para 53)

Chapter V—Maintenance and up-keep of tea bushes

Though small estates below 100 acres are numerically in the majority, the major portion of the acreage and production in India are accounted for by estates over 100 acres. They account for 96.1% of the acreage and 99% of the production in the country. (Para 2)

Estates with high yields generally do manuring which is adequate both from the point of view of intensity of application per acre and coverage of the planted area. In many of the estates with comparatively low yields, while the amounts of manure applied per acre did not compare unfavourably with those used in high yielding estates, the total proportion of the area manured was comparatively small. (Para 7)

The larger units of the industry are alive to the imperative need of pest control. Some of them carry out pest control measures as a routine measure while the majority adopt them only when the need is felt. The small growers, however, have difficulties in adopting them. (Para 8)

In the area covered by the replies received as much as 28.79% of the plants are more than 55 years old, having been planted before 1900. Assuming the economic life of a tea bush to be 60 years, all this area will be due for replanting without undue delay. A greater rate of progress in replanting would appear to be necessary to prevent the industry gradually running down in vitality and productivity owing to progressive ageing of the plants. (Para 12)

The percentage of teas planted before 1900 is highest in the Darjeeling region amounting to 79.16%. In the matter of new planting on virgin soil and reclaimed land taken together during the ten year period ending 1953, leaving aside Tripura whose acreage is very small, South India has the highest percentage of 4.46% and Darjeeling the lowest of 1.77%. However, in the matter of replanting *i.e.* uprooting of old plants and planting new ones, South India had only a very small percentage to show namely 0.72%. There is not much old tea in Tripura needing immediate replacement. The slow progress in the matter of replanting in South India is partly attributable to certain physical factors arising out of the nature of the terrain where tea is grown.

We understood that the question of evolving a method of replanting on steep hill-sides in a satisfactory and economic manner has been receiving the attention of the industry and its research institutions. It should be pursued with vigour by the industry and the Tea Board. (Para 13)

The larger proportion of old plants (those planted before 1900) are in gardens under Non-Indian ownership—43.4% in the case of Non-Indian companies registered in India and 29.4% in the case of Sterling companies. (Para 15)

Land under tea abandoned during the decade ending 1953 formed 2.84% of the acreage for which information was received. In the case of the Sterling capital estates the area abandoned was 3.1% of the total acreage.

Replanting is necessary not merely for the purpose of maintenance. With proper selection of improved plant material for replanting, experiments have shown that increasing yields are also possible—a factor of considerable economic importance for the future of the industry. (Para 17)

In spite of the need of a programme of replanting for the very existence of the industry in the long run, progress has been tardy. (Para 18)

It is necessary to make special arrangements for the provision of selected tea seeds and other good planting material and we consider that this is one of the important responsibilities which the Tea Board should take up. (Para 22)

The tea gardens should be required to lay aside every year a certain sum of money for the purpose of financing programmes of replanting.

If the cost of replanting an acre and tending it for a period of 5 years before plucking starts, is taken to be Rs. 3,000, the amount to be laid aside each year for implementing replanting programmes will be Rs. 50 per acre assuming the economic life of the tea bush to be 60 years. This is at best only an approximation. It will be necessary for the Tea Board to make a more detailed investigation and prescribe suitable figures for the purpose for the different regions. The amount should be credited each year with Tea Board in a fund which may be called the Tea Replanting Fund. The amount paid in by each garden should be held in the fund by the Tea Board to the credit of the garden concerned. Tea gardens contributing to the Replanting Fund should be allowed to withdraw from the fund such amounts as may be necessary for the purpose of replanting, according to a programme approved by the Tea Board. Withdrawals should not be allowed for any other purpose and if gardens change hands by sale or otherwise, the amounts to their credit in the Replanting fund should pass to the new owners along with the garden, to be held and utilised in the same manner. To ensure that all gardens are brought within the scheme, it will be necessary to resort to legislative compulsion. For this purpose necessary legal powers should be taken by Government by amending the Tea Act. It may be that all the units of the industry in a particular area may not be able to bear the charge if it is applied uniformly in the area. Consequently in the enactment there should be an enabling provision for special treatment being meted out to such weak units. As gardens of 100 acres and above fall in the more organised section of the industry, the scheme may be applied only to them in the first instance. (Para 23)

We recommend, that the contributions to the fund made by the tea gardens should be allowed as an admissible charge for the purpose of computing income-tax. The scheme will thus provide for the funding every year of an amount considered necessary for replanting 1-2/3% of the planted area of each garden at rates prescribed for different regions by the Tea Board after necessary investigation.

The actual expenditure incurred in such replanting, though in excess of the amount which under our proposals will in any case have to be credited to the Replanting fund, should continue to be an item of expenditure allowable for purposes of computing the taxable income as it is at present under the proviso to rule 24 of the Indian Income-Tax Rules.

It has to be mentioned that in many estates rehabilitation is necessary not only as regards tea bushes but also as regards plant and

machinery and other fixed equipment. Some of the gardens are working with old and worn out machinery which affects the quality of the tea manufactured by them. These old and worn out machinery would require replacement. (Para 24)

We recommend that the Tea Board in consultation with the producers concerned should draw up a programme of phased replanting as well as replacement and renewal of plant and machinery. After such a phased programme has been drawn up, Government should take steps to ensure that the necessary financial provision for it is made by various gardens before they declare dividends or repatriate profits. To assist the estates in framing such programmes, co-ordinating and implementing them in the proper manner, there should be a development staff with the Tea Board, which should be responsible for this work. This staff should be distinct from the staff for rendering advisory service in regard to which we have made recommendation in a subsequent chapter. As the need to maintain estates in a state of continued efficiency is paramount, we further recommend that Government should assume legal powers to make investigations and issue such directions as may be found necessary for the proper maintenance of fixed assets including replanting in any tea estate. This may be done by a suitable amendment of the Tea Act. (Para 25)

We recommend that when tea gardens of 100 acres or more are sold, the approval of the Tea Board should be obtained. The Tea Board should arrange to make an assessment of the age of the tea bushes in different blocks of the garden and the amount of money required to finance the replanting of the existing bushes as and when they become due for replanting on the basis of 60 years of economic life. This assessment could be made with reference to the records maintained by the garden showing the age of plants where these are available, and by local inspection.

The computation should be based on the rate per acre prescribed for each region by the Tea Board for the purpose of fixing the annual contributions from gardens to the Tea Replanting fund under the scheme mentioned earlier. This lump sum contribution to the Replanting fund by the new buyer of an estate should be prescribed as a condition necessary for his registration in the Tea Board; also, in the case of sales of Sterling capital estates, repatriation of sale proceeds should be permitted by the Reserve Bank of India only after it has ascertained from the Tea Board that the necessary contribution to the Replanting fund for the estate has been made. (Para 26)

Chapter VII—Cost of production of tea

The total cost of production of tea for India as a whole was Rs. 118·15, Rs. 129·88, Rs. 140·36 and Rs. 131·00 per 100 lbs. in the years 1950, 1951, 1952 and 1953 respectively. An important contributory factor for higher costs in Assam was the larger proportion of Sterling (79%) and Non-Indian (14%) estates in Assam as compared with Sterling (50%) and Non-Indian (20%) estates in Dooars. In these estates

the costs were generally higher than those in Indian estates. Wherever we have a larger area under Sterling companies and Non-Indian estates, the costs tend to be higher. (Para 7.)

The lower costs in case of small holdings below 100 acres are due to low expenditure on spraying and dusting, plucking, packing, transport, and, more particularly, very low expenditure on clerical expenses. The small holdings form only 2·47 per cent. and 10·16 per cent. of the total area under tea cultivation in Northern and Southern India respectively.

The yield per acre in case of small holdings is very much lower as compared with the yield in other holdings. (Para 9.)

In 1953 the Sterling companies had the highest total costs at Rs. 135·67 per 100 lbs., and the Director-controlled Indian Public Limited, the lowest costs at Rs. 102·11, the average total costs for all types of management being Rs. 131·00. We find that in most cases, some section of the Non-Indian companies had the highest costs. Lowest figures for costs under these heads in all cases belong to one section or the other under Indian management. The costs of Non-Indian estates were particularly high under general charges and selling expenses.

Non-Indian estates spend more under general field works, filling in vacancies, manuring, spraying and dusting, plucking, factory maintenance, general stores and local purchases, general charges (upkeep), medical benefits, other labour benefits, bonus to labour, commission to directors and agency allowance, salaries to estate staff, selling expenses, freight transport and forwarding charges. Indian companies spend more on salary and wages of factory staff, coal, fuel, power and lighting, other charges as stores, salaries at head office, head office expenses and export quota. (Para 13.)

Between 1950 and 1953 the maximum increases in costs at 13% are found for Sterling companies and Partly-Indian companies under Non-Indian managing agents. Both these groups are fairly large. Most of the Indian groups show a fall in total costs, the decrease in case of Director-controlled Indian Public Limited companies being 3%. (Para 14)

We find that after a certain point there is no decrease in costs of production as a result of an increase in the size or yield of estates. This might appear to be contrary to the general belief that an increase in size reduces the costs of production. But in tea estates, as most of the operations relating to cultivation and gathering of crop, etc., are done by hand, the possibilities of any significant reduction in cost by increasing the size of the estate are limited. Therefore, we feel that in order to bring about economy in costs of production the size of the estate should better be related to managerial efficiency and the crop required to maintain a tea factory. From these points of view our conclusion is that the optimum size for a tea estate may be anywhere between 800 to 1,000 acres; this will mean employment of about 1,000

to 1,500 labourers which is almost as much as an efficient estate manager can supervise. Also we estimate that an estate of at least 300 acres would be required to feed a tea factory of the smallest size throughout the year. (Para 20)

All Indian companies, with the exception of the partly Non-Indian, have secured better margins than the Non-Indian, although the difference is not very large despite the low price per lb. which they got. One cannot Judge from the mere figures of high and low costs about the comparative efficiency of estates. (Para 21)

The cost of producing tea varies considerably as between different tea-producing regions in India. The costs are generally higher in the North than in the South. Darjeeling is the highest cost region for tea production in India.

'General charges' form the largest part of total costs of producing tea, the other important heads of expenditure being cultivation, gathering of crop, and manufacturing.

The cost of production are generally higher for the Sterling and 'Non-Indian' estates and lower for 'Indian estates' though the higher costs are not necessarily disadvantageous for the former.

Compared with the year 1950, costs have increased by about 11% in 1953. Assam in the North and Travancore-Cochin in the South show a considerable rise. The increase in costs is largely due to increased selling expenses, and crop gathering and manufacturing charges. Rise in wages too has been a significant factor in some areas. In general, Non-Indian estates have shown more increase in costs than Indian estates. (Para 22)

The future of the Tea industry is closely linked with its costs of production. India has to produce good quality tea at reasonable costs in order to face successfully growing competition in international markets and to develop as quickly as possible our own internal market for tea. A rise in the costs of production can be checked and perhaps a reduction in costs can be secured if we can increase the productivity of the industry and reduce the expenditure on some of the items of costs.

Increased production per acre should be possible as a result of improved methods of production and increased productivity of labour.

'General charges' and 'payment to labour' form the largest parts of the total costs of production of tea. Under the head 'general charges' there is room for reduction of costs by decreasing the remuneration paid to managing agents and secretaries, by abolishing the commission paid to managers, etc., (and instead giving them a consolidated salary), by increasing 'Indianisation' of managerial personnel and reducing the number of Non-Indian managerial personnel to the minimum and by rationalising the salary structure of the managerial cadre.

A well-planned and regular study of cost data is necessary for keeping the industry informed about its economic efficiency and competitive position. The Tea Board should, therefore, undertake this

function as a part of its regular work. A 'Cost of Production' Section should be set up in the Tea Board for this purpose. This section of the Tea Board should collect relevant data regarding costs of production from all estates. Further, in order to maintain uniformity and secure better comparability, the forms for cost of production returns should be standardised by the Tea Board with the help of experienced tea planters and chartered accountants. (Para 22)

Chapter VIII—Higher productivity and Labour

The success of productivity schemes primarily hinges on the Inspector at the bottom, his training and his capacity to promote labour management relations.

Section A—External facilities

State intervention being unavoidable, every thing depends on the quality of the administrative staff.

An improvement in the working conditions would certainly increase labour productivity.

Want of fixed equipment also affects productivity.

Want of proper standardised materials affects productivity.

Rationalisation of operations is necessary to increase productivity. (Para 2)

A major part of the success of the industry depends on plucking. (Para 3)

Supplies of tools and implements should be reviewed from the point of view of reducing physical efforts and increasing productivity. Also mechanisation is possible to a greater degree in respect of transport to the factory from the field. (Para 4)

Training of recruited labour should be given priority in every estate. Talks in the field, group discussions and workers clubs should help in a continuous education of the worker. The proposed advisory service should organise workers' education on these lines and also arrange for training of new recruits. (Para 5)

Skilled work of labour depends on the effectiveness of supervision in the handling of materials, and planning of work. The lower grade of supervisory staff should be trained. Also maintenance of machinery depends on the technical staff. Many of the latter had no training.

Training of the managerial staff while the lower layer of the foremen and supervisors are neither properly recruited nor trained nor paid decently, will not get the best results from the former.

"The executive who can shift the emphasis of controls towards the means of developing co-operative relations will thereby enable people down the line to do a more effective production job". (Para 6)

Increase in productivity requires proper records of the output of work and an analysis of results.

Under existing conditions Governments will have to take the initiative in organising work studies with the co-operation of labour and employers. (Para 8)

Much could be done by factory inspectors in enforcing improved working conditions. But their number should be adequate. (Para 9)

We suggest that a special committee should devise a uniform set of registers and records. (Para 10)

Section B—Regulation of Temporary Labour

With output increasing and labour force decreasing the tendency is towards higher productivity of labour in Assam. But this could not be said of the South. (Para 1)

Permanent labour per acre was 0·8 in Darjeeling, 0·9 in Cachar, 1·1 in South India, 1·2 in Assam, and 1·4 in Dooars. (Para 2)

The Terai region (West Bengal) recruits more casual labour owing to the short season for plucking.

The distinction between permanent and temporary labour was not clear-cut in the Dooars. More labour was engaged for these reasons and this explained the largest number per acre and the lowest percentage of casual labour to total labour force. (Para 3)

Government should enforce a slightly higher wage than the minimum in the case of casual labour so as to include the cost of amenities which resident labour got from the estates. (Para 4)

Section C—Reduction of labour turnover and absenteeism

Labour turnover was due to various causes. There was no graded salary according to seniority which would prevent a labourer from leaving his job. (Para 2)

It was not good either for labour or the employer or the nation that absenteeism should be of this magnitude (16%).

Want of a balanced diet resulting in anaemia is considered as one of the main reasons for absenteeism.

Another cause of absenteeism was the tacit understanding between labour and management, the former to go on their private works of cultivation or other errands and the latter to willingly permit it for want of work in the slack season.

The third cause was drunkenness. (Para 3)

Section D—Surplus labour and employment

Surplus labour may be classified as—

- (i) seasonal surplus,
- (ii) due to an increase in non-working dependents, including persons other than members of the workers' families,
- (iii) surplus as the result of a high birth rate,

(iv) surplus as a result of settlement of a portion of recruited emigrants in villages near the plantations. (Para 2)

The problem of surplus labour was effectively tackled by the Assam Government by restricting entry of immigrant labour and thus forcing the estates to employ the surplus labour in the estates and villages. (Para 3)

The possibility of using employment exchanges should be explored by the State Governments and employers' organisations. (Para 4)

We recommend that the State Governments in collaboration with the Tea Board and the Tea industry should have detailed surveys made of the land resources other than land under tea at present, held by the tea plantations and the use to which they are put. After such a survey it will be possible to draw up a suitable policy regarding the utilisation of the land and forest resources not required for the efficient working of the tea gardens and not likely to be of use for the expansion of tea production. The Assam Government has already passed an Act for the acquiring of lands on payment of compensation not exceeding ten times the annual land revenue on them. This may be followed in all States and surplus lands acquired. With the surplus land available it should be possible for State Governments to develop schemes for agriculture, silviculture, and animal husbandry activities which will provide additional occupations and thus help to relieve the pressure of unemployment in these States. (Para 6)

Provision should be made for giving advice on family planning to the workers and their families. (Para 7)

Any scheme of occupations should be of two kinds—those which would supplement the work in tea gardens by way of subsidiary occupations such as the raising of crops and live-stock breeding and those which would employ non-working dependents who could not be absorbed in tea gardens. The former should be subsidiary to tea cultivation and not be an exacting work. The latter should be remunerative. Provision of employment to non-working dependents is a definite function of State Governments, though it may be performed through the employers. (Para 8)

One reason which accentuates to some extent the problem of unemployed labour in plantations is that at present there is no recognised retiring age for plantation workers. When provident funds are established they will provide old age benefits to workers who have to retire. We recommend that after such funds are established, the question of fixing a retiring age for plantation labour should be examined so that superannuated workers may make room for younger workers. (Para 9)

Section E—Wage Structure

The total cash wage bill of the industry was estimated to be of the order of Rs. 42 crores per annum excluding various amenities. About Rs. 6 crores or roughly 15% of the wage bill may be taken as spent on

amenities. Labour has thus derived from the industry benefits in cash and amenities to the extent of about Rs. 48 crores per year. Thus labour cost on a total production of about 638 million lbs. for the year, amounts on an average to about 12 annas per lb.

We are of the view that minimum wages should be the same in all States unless they varied on account of differences in cost of living

Though the cost of living index has fallen as compared with the period when minimum wages were fixed (March 1952), the wage has not been reduced. (Para 2.)

Loopholes in the notification resulted in wage disputes. (Para 4.)

In fact the provision of a minimum wage being the duty of Government, the responsibility of the latter is great in fixing it, though every opportunity has to be given for both parties to recommend an agreed wage. In order to provide information on family budgets a nutritional diet, number of units in the family, prices of food articles and proportion of wage for men, women and adolescents, there should be a research section in State Governments to undertake periodical enquiries and supply the necessary data.

Secondly in order to provide a democratic procedure for negotiation, representatives of employers and labour should be elected.

The working of the Act recognised differential wages for different regions and different categories of estates depending on yield and acreage. There was no reason for minimum wage to differ except on the basis of nutritional needs of different regions and cost of living. A minimum had nothing to do with varying costs in the management of estates. Labour also rightly demanded a living wage. Maximum scope for labour and employers should be given to come together. For these reasons, the constitution of standing wage committees to advise the Government on wages at the regional and State level is necessary. (Para 5.)

We feel that to avoid criticisms and disputes it would be better not to disturb the minimum wage frequently once it is fixed except it be to raise or lower it according to changes in cost of living. (Para 6.)

We have carefully considered the question whether minimum wage could apply to all holdings and estates, small and big, and to plantations without factories and are of the view that in so far as the wage is a minimum, there can be no such exemptions.

A living wage giving more facilities will have to be left to be negotiated between the parties as it will be difficult to fix it by law. (Para 7)

A certain security of tenure for plantation labour is provided in Minimum Wages Notifications. But if an income more than a minimum wage is to be earned, it has to come from extra work and supplementary employments in the slack season. (Para 8.)

The fixation of plucking rates followed in Madras and West Bengal are the least satisfactory. In Travancore and Assam, fixation of rates for plucking has certain good features. (Para 9.)

A piece rate for plucking should have the following components :—

- (i) It should progressively increase for quantities plucked.
 - (ii) It will have to be higher in the cold season or for bushes recently pruned when the quantity of leaf is small.
 - (iii) It should be fixed in such a way that it enables a worker to earn at least minimum wage for a normal working day.
 - (iv) The rate should be equal for men, women and adolescents.
- (Para 10)

One result of relating tasks to hours of work is that they have to be pitched so low that even an average worker should be able to complete it within the normal working day of 8 hours.

Those who completed the task early have more leisure in the afternoons. This results in a national waste of human resources as such workers have no work to do after the task is completed.

In the interest of increasing productivity, a worker who completed a greater amount of task should be paid *prorata*. The Act also permitted the fixing of a rate of wage in proportion to piece-work executed. (Para 11)

Productivity will improve if more attention is paid to job classification, job contents, and evaluation of skills. To provide a lower task with lower remuneration for women and adolescents irrespective of their capacity is discriminatory. (Para 13)

Minimum wage lends itself under present conditions to be abused by labour as a time wage only meant conformity to time and not necessarily the execution of a fair amount of work.

A minimum time wage will not affect output only when labour did not absent itself, and had a high sense of duty and responsibility. (Para 14)

The weekly rest and the total hours per week prescribed in labour laws should be flexible enough so that production in the field and factory did not suffer and the worker was not prevented from making the maximum income in the peak season. Also a progressively higher rate for overtime hours of work will be an incentive to labour productivity. (Para 15)

Section F—Industrial Relations

Labour sometimes resorted to illegal and violent methods of coercion leading to breaches of peace and creating problems of law and order.

One result of this form of protest was that the main dispute which was to be decided receded into the background and problems of law and order came to the forefront. These forms of protest took no account of the civil rights of third parties namely the citizens of the country, many of whom were put to great inconvenience by these happenings. Various representations were made by employers complaining

about light punishments to labour for serious offences. Labour equally complained that there were unjustified prosecutions by the police at the instance of employers under Section 107, C. P. C. Also in a few gardens police help was sought by both the parties. Without in any way trying to assess the merits of these representations, it might be stated that these indicated a state of unhealthy industrial relations requiring police intervention. (Para 1)

It was brought to our notice that the provisions of Sections 26 to 31 of Industrial Disputes Act were not utilised though there were illegal strikes. All the State Governments replied that penal provisions against illegal strikes were not enforced. (Para 2)

We should take note of the fact that many of the strikes were often work stoppages for a half-day or a day, just to stage a protest. The largest number of strikes happened generally in the plucking season between June and August.

When the bargaining units are put on a sound basis, a democratic procedure for strikes provided, and strict notice taken by the State Governments of illegal strikes, the latter will greatly diminish in number (Para 3).

The kinds of disputes related mainly to profit-sharing, proper fixing of tasks, reinstatement of discharged and dismissed personnel, leave with wages, and retirement benefits.

It was pointed out that deficiencies in labour laws and their implementation added to the disharmony in industrial relations. (Para 4)

This will be remedied with a progressive improvement of labour laws and their implementation. Disharmony arose out of certain actions of management and labour, which could be avoided. Unfair practices such as refusal to grant interviews or negotiate, favouritism and discrimination in treatment of employees, evasion in implementing the Plantation Labour Act, dismissal of workers without cause, supporting one union against the other—these acts on the part of some managements increased disharmony. The illegal methods sometimes resorted to by some labourers in expressing their grievances, already referred to, added to it. (Para 5)

Opposition between groups of different views or having different interests are bound to exist in a democracy.

What is needed is the formulation of a correct procedure to facilitate the resolution of conflicts and ironing out of differences by a process of discussion, toleration of differences, and acceptance of majority decisions. (Para 6)

To succeed, voluntary negotiations should be done by duly-elected bargaining agents. A procedure should be laid that negotiations should be through the Works Committees or the Trade Unions as the case might be. Violation of agreements entered into by voluntary negotiations should be penalised. Such agreements should also be registered. (Para 7)

Right conditions for negotiations can exist only if labour officers are precluded from taking up any complaints, unless they are forwarded through the management, works committees or Trade Unions. Only when a dispute could not be settled through a defined procedure for direct negotiation, should it be taken up for conciliation. (Para 8)

The employer's hands in exercising some of his powers of management became tied, as a result of Section 33. The various other defects pointed out in the working of the conciliation service are that delay in the submission of awards to Government made legal strikes illegal and prevented the exercise of normal powers by the managements owing to the operation of Section 33, that officers did not assume an impartial attitude and interfered too much, and too many adjournments were given. (Para 10)

It was represented that as soon as a complaint was received from a worker, some conciliation officers called the employers for a joint discussion. They should, we feel, ask for a report from the manager and discuss with him, if necessary, before calling the management for a joint discussion with the worker. (Para 11)

Conciliation can play a great part in settling disputes if the officer had a proper status as a disinterested third party as well as necessary powers. The conciliator should have a right to formulate a mediatory proposal when necessary and place it for balloting by the trade unions and employers. (Para 13)

The great need is recruitment of the proper personnel. Secondly their proper training is equally essential. Thirdly the independent status of conciliation officers should be maintained by not combining in them the functions of prosecutors for breaches of the several labour laws. The conciliation service should be an independent unit under the Ministry of Labour and not under the Commissioner of Labour. Lastly a conciliation officer should not act unless requested by management or by labour through works committees or Trade Unions. Agreements made should be registered and their breaches penalised. (Para 14)

Tribunals in Assam have contributed to industrial peace and have helped both management and labour in a proper approach to their rights and responsibilities. (Para 15)

If compulsory arbitration came only as a last resort, when all methods of negotiation, conciliation, and arbitration are exhausted, then the law should provide for such procedure for referring disputes to tribunals. (Para 17)

Section 33 should be so drafted that it should relate only to victimisation as in the Bombay Industrial Relations Act. (Para 18)

There should be some provision fixing a time limit for disposal of references by the tribunals. (Para 19)

'The ban imposed against legal practitioners may be removed thereby discouraging parties to circumvent the provisions of Section 36 on account of necessity.' (Para 20).

We would point out the need for an independent tribunal service. It was not enough that labour courts and tribunals comprised judges with judicial experience. *Ad hoc* recruitment for tribunals will not establish sound traditions and practices. Knowledge and experience of the organisation of the industry is equally necessary for judges of industrial tribunals. They should have a cadre of their own. Their awards will have great reactions on the respective places of the employer and labour in the industry. They should, therefore, become part of a ministry which is concerned with law and justice. The status of tribunals should be high enough to command the respect of both management and labour. (Para 21)

So long as the bargaining units of labour are not sound, and management-labour relations are not proper, works committees could not function.

The works committee should be elected. Works committees may decide disputes if voluntarily placed before them by both the parties. They should work by unanimous decisions. The six year term of workers' representatives, with provision for retirement of a third of them every two years, provided in the Assam rules, would help to create an experienced body of workers for discussion of various problems. When once trade unions are reconstituted as proposed elsewhere, the works committee may be chosen with their consultation. To be successful, the management should select its senior men including the manager as members of the works committee. The manager should consider it his duty to attend these meetings. The junior staff would not be proper substitutes for attending meetings of the works committee. Similarly a committee representing labour should give a special place to senior workers. The choice should be restricted to the latter. At the same time, there could be no useful discussions without membership being granted to the lower and higher grade of supervisors. (Para 24)

A large amount of tensions existing today in the industry can be solved if in the working of trade unions a democratic procedure was followed and only a single union was permitted in an undertaking. Outside leaders were given every encouragement to advise but not administer except in federations, wholtime trained secretaries were appointed for each primary union, elections to the executive were conducted when requested by a State agency, membership fee assured in respect of members, and funds put into an authorised account. Further, violations of agreements, illegal strikes and lockouts, and unfair practices on the part of both labour and employers should be punishable in law. A proper procedure for strikes should also be provided for. (Para 36)

Chapter IX—Transport, supplies and services

After the earthquake of 1950 which caused changes in the river bed, there are certain areas of shifting sands in the Brahmaputra, which sometimes cause unexpected and abnormal delays in the navigable channels, thereby causing transit delays. We suggest that this may be investigated by the Central Water and Power Commission. (Para 2)

There is need for keeping the line connecting Dhubri with the Central Dooars secure from breaching as this will keep the alternative river route to Calcutta open even when the rail route is disrupted. This deserves consideration by the Railway authorities. (Para 3)

The requests from the industry that at stations where there are bookings of tea, suitable covered accommodation should be provided to hold the tea awaiting despatch and that only leak proof wagons should be provided for the transport of tea are reasonable and we recommend that these facilities should be provided. (Para 5)

We recommend that the Excise authorities should consider the possibilities of allowing gardens the facility of having duty-paid godowns where teas can be stored after payment of excise duty and from which teas can be moved quickly to the rail head on receipt of information regarding the placement of wagons. (Para 6)

We recommend that tea estates in the Darjeeling region may be granted permits for plying their vehicles on the Darjeeling Siliguri Road for transport of tea and their stores. (Para 7)

We recommend that the State Road Transport authorities should consider sympathetically the request (from estates served by the Teesta Valley Road) for grant of permits without delay to ply their vehicles on the Darjeeling-Siliguri Road when the Teesta Valley Road is blocked. (Para 8)

We recommend that the State Transport authorities should consider the question whether, consistent with the safe carrying capacity of the roads and bridges in the district, it is not possible to increase the permissible loads for tractors carrying tea and tea garden stores. (Para 9)

There is considerable room for improvement in the road communications in many parts of the tea districts and we suggest that the State Governments and local authorities should consider the possibilities of improving them. (Para 10)

The main difficulty regarding transport experienced by the South Indian Tea industry is with regard to shortage of wagons especially in the monsoon months.

The Railway authorities should consider the request and do what is possible in the matter. (Para 11)

The Tea Board should promote establishment of co-operative organisations for supplying stores. When co-operatives are thus set up and when Tea Board helps in the matter of supplies, the companies should take their requirements through them. The Board could also help planters through its supply section in the matter of the best possible utilisation of loans which the State Bank of India or the State Finance Corporations may sanction in future for purchase of machinery, building materials, fertilisers and other articles of stores. (Para 16)

The proposed supply co-operatives will be greatly strengthened if the Central fertiliser pool will sell its fertilisers only through these proposed co-operatives. We recommend that the pool should distribute only to these co-operatives for supply to the Tea industry. When the co-operatives got strengthened in this way they could arrange to procure all supplies at very competitive prices. (Para 17)

The Co-operatives could also supply manure mixtures. At present manure mixtures are supplied by manure mixing firms. There seems to be no control over the quality of the manures supplied. Control over quality is necessary. For achieving this, the State Governments should take powers to control quality of manures. When complaints about the quality of manure mixtures are received by the Tea Board, the latter should take it up with the authorities in the States. (Para 18)

The possibilities of a co-operative insurance company to serve the Indian section of the industry appear to be very good and we consider that it is a proposition worthy of serious consideration by Indian producers. Such an organisation once started may also provide hail and marine insurance. (Para 19)

We consider that action should be taken by Government so that the quality of indigenous supplies of small tools and implements, pruning knives and pruning saws, wire nettings, aluminium linings of tea chests and wire fencing material is improved.

It was brought to our notice that grub hoes which are available in India, are being imported as hardware or agricultural implements because of a possible lacuna in the I.T.C. Schedule. We suggest that this matter should receive Government's attention. (Para 20)

Many of the complaints regarding procedural delays and lack of co-operation and imagination on the part of Government authorities may appear to be trifling but cumulatively they have the effect of hindering the smooth working of the industries and to that extent acting as a brake on productivity. (Para 21)

Many employees' organisations and others represented to us that the system of making purchases of stores etc. either by private contract or through managing agents resulted in wasteful expenditure and favouritism and other abuses. We recommend that tea companies should adopt the healthy practice of purchasing all stores by calling for competitive tenders from suppliers. (Para 22)

It is necessary to ensure that the quality of coal supplied to tea gardens is not below 'B' grade (Para 23).

Chapter X—Finance

Taking the figures furnished by the reporting companies as illustrative, the yearly average of the working capital requirements for the three years ending 1953 for North India works out to Rs. 1,290 per acre of tea and for South India Rs. 727 per acre.

The working capital requirement of the Indian section works out to about Rs. 22·8 crores. (Para 5)

Apart from their own resources like reserves and advances by managing agents, the external sources of finance on which the companies and other larger producers depend are the commercial banks and brokers.

During the 3 years ending 1953 total bank advances to the Tea industry averaged Rs. 36·82 crores per year. (Para 6)

The amounts advanced by the brokers though much smaller than those advanced by the banks are not inconsiderable. (Para 7)

The rates of interests charged by the commercial banks ranged between 4% to 9% but most of them charge at rates between 4% and 6%. Some of the Indian banks charge a commission of $\frac{1}{2}$ to 1% on sales also. The brokers charge interest at 4 to 5%. They charge a lower rate of interest as their lending operations are mainly intended for attracting business which fetched substantial earnings as commission. (Para 9)

Urgency, adequacy and availability of crop finance for every agricultural producer emphasised in the report of the Committee of the All India Rural Credit Survey have all equal application to the Tea industry. (Para 10)

We consider that the levy by some of the banks of a charge on gross sale proceeds in addition to interest is unjustified and accordingly recommend that the Reserve Bank may use their good offices with the banks and where necessary use their legal powers, under section 21(2) of the Banking Companies Act so that the levy is discontinued. We found that the Co-operative Apex Bank in one State charged $7\frac{1}{2}\%$ on its loans to the co-operative association of tea growers and growers who took loans had to pay the interest and besides 1% commission also on the value of tea sold. The Commission would recommend that the Reserve Bank should put an end to these unfair practices where they exist. (Para 11)

The fact that a large number of Indian companies use their reserves for current finance itself shows the inadequacy of the latter for them. Also it was brought to our notice that it was one of the conditions of advances of some banks and brokers, namely that borrowers should not claim a statutory rate of interest provided by any State laws. Such unfair practices should cease.

The financial difficulties of the Indian section of the industry can only be removed by the State Bank providing finance in an abundant measure to the Indian producers. We recommend that in its programme of extension of branches the State Bank of India should give a high priority to the opening of branches in tea plantation areas. We also recommend that these branches of the State Bank should be responsive to the needs of the tea companies and proprietors.

When once short term finance is available from the State Bank, the industry will not have to draw on its reserves for working capital and consequently they will be available for meeting the long term capital needs like replanting and replacements of machinery and plant (Para 12).

We recommend that the Industrial Finance Corporation and State Finance Corporations of the States in which the gardens are situated, should meet the need for long term finance. In the case of Tripura, we recommend that the facilities of the State Finance Corporation of a neighbouring State, either Assam or West Bengal should be extended to Tripura by necessary amendment of the relevant Act and rules (Para 17).

The State Finance Corporations will have also to provide finance for repayment of past debts in suitable cases.

While there could be no relief to estates heavily indebted, it should be possible to redeem those having potential repaying capacity by arranging for sale of a portion, adjusting the loans to actual sum of debt and a fair rate of interest, granting instalments of repayments and repaying the creditors. Such cases would need study by the Tea Board. The State Governments should apply the provisions of Debt Relief Acts and readjust the loans to a repayable figure. The State Finance Corporation should provide long term finance in the case of estates which would work successfully with a redemption of their debts (Para 18).

In the case of many of the smaller Indian owned gardens, the commercial banks advancing them loans on the hypothecation of crops to meet their working expenditure often require that their title deeds to tea garden property should also be deposited as collateral security. It should, however, be possible for the State Finance Corporations and the branches of the State Bank in planting areas to work out a suitable procedure which will avoid the difficulty caused by this. We recommend that it should be done at an early date (Para 19).

We suggest that the State Finance Corporations in consultation with the Tea Board should appoint a panel of experts of standing with specialised knowledge of tea production. The experts may be persons drawn from the industry or from the expert staff of the Tea Board. Suitable co-ordination should be established between the neighbouring State Finance Corporations so that a common policy may be followed by them in the matter of the grant of loans.

The Tea Board should have a Plantation finance committee which should keep a close watch on the financial needs of the Tea industry and it should discuss the financial requirements of the Tea industry not only with the State Bank of India and the State Finance Corporations and co-operative banks but also with commercial Banks, foreign exchange banks and other financing institutions. If this Committee finds that as a result of experience of the

working of the finance corporations and institutions they are not in a position to meet the long-term needs of the Tea industry, it may make necessary recommendations for the establishment of a new financial institution under the auspices of the Tea Board (Para 20).

It is expected that in the years to come the State Bank of India will take a more prominent part in financing tea shipments (Para 21).

Chapter XI—Marketing of Tea-primary Sales

The producers choose their method of disposal mainly on economic considerations. They choose the method which is most convenient to them and which they think will give them the best return in the circumstances in which they have to operate (Para 1).

It is not possible to pronounce any opinion regarding the reasonableness or otherwise of the Calcutta warehouse charges about which divergent views were expressed without undertaking a detailed costs investigation. Our appraisal of the situation shows that it is not so much a matter of the reasonableness or otherwise of present charges as one of ultimate control and responsibility for warehouse administration that needs consideration to give satisfaction to all sections of the industry (Para 9).

In the marketing of tea in Calcutta the brokers have come to occupy an unusually strong position. The business is concentrated in a few hands (Para 15).

There is every reason to think that the valuation of the broker which in his dual capacity he communicates both to the seller and the prospective buyer, plays an important part in deciding the relative prices of the produce of the different estates at the auctions. This gives the broker a position of very considerable power and influence in the industry. We would, therefore, recommend that the selling and buying brokers should be separate functionaries. They should not be connected in any way with the management or be a major share-holder of any tea estate or have any connection with the trade and exports of tea (Para 17).

The combination of money lending with tea broking makes it difficult for new-comers, however, well qualified otherwise, to set up as brokers, unless they have also the extra financial resources necessary to finance producers (Para 18).

We note that there is excessive concentration of economic power in the hands of a few brokers and this gives scope for complaints of discrimination and other grievances. The situation is, therefore, inherently unsound. In the general committee of the Calcutta Tea Traders' Association which is the body ultimately responsible for all arrangements regarding the working of the Calcutta tea auctions, the brokers again have an unduly strong position. There are 4 broker members in a committee of 12, the remaining 8 consisting of 4 seller members and 4 buyer-members (Para 20).

We recommend that the Tea Board should assume the function of regulating the sale of tea in the Cochin and Calcutta auctions. The rules governing the auction sales and other matters pertinent to the primary marketing of tea should be made by the Tea Board. To help the Board in exercising its functions regarding the regulation of sales it should appoint a standing committee (Para 21).

The object should be to ensure the provision of a machinery which while adequately looking after the legitimate interest of all sections of Tea industry and trade, will avoid excessive concentration of power in the hands of any particular section to the possible detriment of other sections. The Tea Board should in conformity with its objective of promoting co-operative efforts amongst growers and manufacturers give every facility to producers for co-operative marketing of their produce (Para 22).

The Tea Board should look into the question of warehousing and brokerage charges about which complaints have been made (Para 23).

If in future the need arises for a centralised warehousing system in Cochin, the Tea Board through the relevant committee should be responsible for its administration also (Para 24).

The teas exported under forward contracts and direct sales should be included within the ceiling prescribed for direct shipments to London (Para 25).

A large section of the industry is of opinion that the tea trade does not have speculative activities to an extent calling for remedial action by the State. Some companies have stated that "quite a lot of speculation and price rigging" takes place. "Rigging of price" by combination of a limited number of influential buyers may be combated only if the Calcutta auctions can be made more attractive to world buyers. Two large buyers account for the purchase of the larger part of the internal sales. The number of large buyers in the external sales is also limited. Large concentration of business amongst a limited number of large buyers and the consequent facility for combined action on their part can conceivably work to the disadvantage of sellers in certain circumstances. It is to be expected that as the volume of tea offered at the Calcutta auctions increases both as regards quantity and quality, the number of buyers will increase (Para 26).

We recommend that the quota system should be abolished. This will affect the income of the small producers to some extent. For them we have made recommendations elsewhere in the report that they should be granted assistance like subsidised issues of manures and supplies of equipment accompanied by technical assistance (Para 34).

Future regulation of tea exports can be done under the Import and Export Control Act as for other commodities, which are subject to quantitative restrictions for exports (Para 35).

Chapter XII—Marketing of tea—Retail distribution of tea in India

Packaged tea sold in India averaged 52.94 % of the total amount of tea estimated to be available for internal consumption in the four years 1951 to 1954 (Para 3)

The effect of the impost of a higher rate of excise duty on packaged tea than on loose tea has been to stimulate the retail distribution of tea in loose form instead of in packages (Para 5).

There is a fall in the manufacture of small packings below 4 oz., which are consumed largely by the poorer sections of consumers. There is a shift from packaged tea to loose tea consumption. The marked fall in the manufacture of packings above 5 lbs., which are consumed mostly by large consumers like hotels and restaurants, is probably due to the fact that their requirements are catered to by large packings of 60 lbs. and above, the teas thus escaping the incidence of the higher rate of duty on 'packaged' tea (Para 6).

It is in our opinion, undesirable that any tax should have the effect of stimulating to any extent the distribution of an article of human consumption in a less hygienic form rather than in a more hygienic form. We recommend that the differential rates of excise duties on packaged and loose tea should be abolished and the old uniform rate of duty of 3 annas per lb. on all teas restored (Para 7).

We recommend that the Central Board of Revenue should evolve a system by which companies and proprietors having less than 500 acres will be permitted to move their teas from factories, on pre-payment of only half the amount of excise duty provided they undertake payment of the balance within 90 days. We recommend that the scheme evolved should be a flexible one. Teas sold outright ex-garden will not be entitled to this concession (Para 8).

We recommend that for all those producers whose total production does not exceed 5,000 pounds a year, the excise duty should continue to be levied at the present rate of 1 anna per lb. only (Para 9).

The main elements in the costs of packaged tea are apart from the cost of the teas going into the blends, the cost of blending, packing, advertising and distributing. Whereas the cost of blending and packing has not shown any significant increase in the three years 1952-54, the costs of selling and distribution and the administrative overheads have shown an increasing trend (Para 13).

The average profits per pound packaged and sold by the companies ranged between 1 to 2.3 annas. *Prima facie* it would seem that there is scope for economy under all the heads in view of the fact that the charges incurred by the Indian concern are considerably less than those incurred by the Non-Indian packing firms.

If blenders reduce their overheads and also reduce their quantum of profits, at least in respect of the popular grades, it will give a fillip to increased consumption of tea internally which is very necessary to bring stability to the industry (Para 14).

The prices are high and they need to be reduced if internal consumption is to increase (Para 15).

The Tea Board should make arrangements for packing and distribution under their own distinguishing labels, 50% of the quantity of dust tea now packaged and sold in India, in small packages in

economy packing not exceeding 1 lb. in weight. Distribution of the tea can be done by the Tea Board through their tea houses as well as by ordinary commercial channels. Although the tea required for blending may be purchased in the auctions it will be priced to the consumer only at slightly above the average cost of production. The difference between this price and the average at which their purchases are made in auctions will be charged on exporters who will bear it in proportion to their exports (Para 17).

We recommend that the Tea Board should make a special investigation regarding the difficulties under which the smaller packaging firms are suffering so that positive steps may be taken to increase their competitive capacity. It is desirable to fix ceilings on the production of existing concerns as well as the units that may be established hereafter at the average of the last 3 years production or 6 million lbs., whichever is more. We also recommend that blenders' co-operatives should be organised and promoted in every way (Para 18).

The objective should be to ensure that tea is vended only in packaged form, within the shortest possible time (Para 20).

We hope that the administration of the Food laws will be pursued with vigour by the administrative authorities concerned (Para 22).

As one of the measures that will help to minimise the evil of adulteration we recommend that the Tea Waste Rules should be promulgated and enforced at an early date (Para 24).

Chapter XIII—Consumption and Export

In order that market expansion may be guided properly and effectively there should be Marketing and Tea Promotion Directorate in the Tea Board which will make studies of various marketing problems in India and abroad. This section should also be responsible for supervision of the scheme of distribution of tea by the Tea Board which we have recommended elsewhere (Para 3).

Though the figure of total annual consumption in the country considered by itself is substantial, the per capita consumption in India is very small (Para 10).

Chapter XIV—Profits and their allocation

Generally speaking the ratio of gross profit to total capital employed in the Tea planting industry has been high.

Sterling companies made a lower percentage of profit on capital employed than companies under Non-Indian and Indian managing agencies. Director-controlled Public Limited Indian companies generally showed a high percentage of profit on capital employed (Para 5).

Remuneration to managing agents is based partly on a percentage on gross sales and partly on a percentage of profits, a specified minimum in each case also being sometimes prescribed. This results

in substantial payments having to be made as managing agency commission even when profits are low or non-existent as in 1951 and 1952 (Para 6).

The managers and senior staff are also in most cases paid commissions based on profits.

Percentage of commission to staff in relation to gross profits increased steadily between 1950 and 1954 in Sterling companies. (Para 7).

The percentage of net profit before tax to paid-up-capital in 1946 was the lowest for Sterling companies. For Non-Indian Rupee companies it was slightly higher, Indian companies higher still, and Director-controlled Public Limited companies highest (Para 10).

Cachar, Darjeeling and Tripura are generally regions where the profit per acre is less than for those in other regions.

In Assam while production costs have increased to over three and half times between 1933 and 1953, profits have increased only to a little over twice. In Dooars and Terai, while profits have increased to nearly three times, costs are a little less than twice of what they were in 1933. In Darjeeling while costs have increased to three times, profits are only a little over twice. In Cachar the increases in profits have kept pace with increase in costs, both having shown increases to nearly three times (Para 12).

Increase in profits was higher between 1946 and 1953 as compared to the period between 1939-46. Also Indian companies show a higher increase in profits than Sterling and Non-Indian companies. The comparatively high profits of Indian concerns cannot be attributed to the realisation of a higher price per lb. as foreign companies got an equal, if not a higher, price for their sales. It can only be explained by the high production costs of Sterling and Rupee Non-Indian companies (Para 14).

Distributed profits showed a more steady trend compared to the trend of profits, with the result that with the fall in the quantum of profits, the proportion of retained profits decreased to a greater degree.

Withdrawals for payment of dividend have been found to be made not only from general reserves but also from specific reserves like the Building and Machinery Reserves. We consider that withdrawals from reserves other than Dividend Equalisation Reserve for the purpose of declaring dividends is unsound and should cease. (Para 15).

Rupee companies under foreign managing agencies have made a greater distribution of profits after tax, than those under Indian agencies (Para 16).

The percentage of companies which paid a dividend between 20 and 39% was greater in the Sterling and Rupee Non-Indian group than in the Indian group (Para 18).

Distributed profit expressed as percentage of profit after taxation was far higher in Sterling companies in 1953 than in Indian companies though it was less than that in Non-Indian Rupee companies.

Sterling companies invested more in specific reserves than Indian companies. They made comparatively less profits; but they distributed a larger percentage of their profits as dividends than Indian companies.

Rupee companies whether Non-Indian or partly Indian under Non-Indian managing agencies made more profits per acre than Sterling companies but nearly the same as Indian managed companies except in 1954, when Indian companies made 15% more profit than Non-Indian companies. They distributed, however, more profits as dividends (about double in 1954) than companies under Indian management. They also put by a larger percentage of profit under specific reserves than companies under Indian management and Sterling companies, whereas Indian companies carried forward a larger percentage as balance of profits.

The percentage of distributed profit to net profit was lower in Indian companies under Indian managing agents than in companies under Non-Indian management.

Public Limited companies outside managing agency control distributed a higher percentage of profits as dividends than Indian companies under Indian managing agency (as they had no managing agency commission to pay) but less than that by companies under Non-Indian management. They placed a lesser percentage of profits under reserves than Sterling and other Non-Indian companies but showed as much retained profits as companies under Indian managing agency (Para 19).

One subject which has been a source of industrial disputes in recent years, has been the question of payment of bonus to labour.

Any scheme that may be evolved should incorporate the following essential requirements :

- (i) The depreciation allowance by the Income Tax authorities should be separately funded and drawn upon only for meeting expenditure on replacement and renewal of fixed assets.
- (ii) The Tea Replanting fund should be set apart as already recommended.
- (iii) After providing for taxation, each company should build out of its profits a statutory reserve for meeting development expenditure and unforeseen charges; this reserve should be kept in a fairly liquid form.
- (iv) From what is left over, a certain minimum dividend should be provided for as a percentage on share capital.
- (v) The remainder should be divided between shareholders and labour and staff according to a suitable formula.

The details will have to be worked out by a committee of experts (Para 20).

Chapter XV—Taxation

We suggest that for determining the world price of tea for fixation of the slab for export duty instead of taking only the previous months' weighted average of the London auction prices, the previous six months' average may be taken (Para 7).

We recommend that the rates and conditions regarding levy of agricultural income tax on tea plantations in the several States be made uniform. Also the mode of collection will be simplified and duplicate collecting agencies avoided if the Central Income Tax authorities collect both the taxes themselves and pass on the agricultural portion of the collection to the States (Para 9).

Representations have been received to the effect that to avoid various difficulties caused by the levy of sales tax by different States on tea which figures in inter-State commerce the levy of sales tax should be made Central and the proceeds distributed to the States. If this is done it will go a long way in removing one among the many impediments of the trade (Para 11).

A tax at the rate of 1 anna per pound is levied on all teas consigned to any dealer in the municipal limits of Calcutta and the districts of 24 Parganas and Howrah. As this levy is inconsistent with the accepted policy of encouraging the development of the Calcutta auctions, we would recommend that this levy should be abolished (Para 12).

In April 1954, the Government of Assam passed the "Assam Taxation (on goods carried by roads or inland waterways) Act, 1954". Though the tax is purported to be levied on tea moved by the modes of transport referred to, it is a levy on the producer who has to make payments depending on the quantity of tea manufactured and packed in chests. This places Assam tea producers at a disadvantage compared to tea growers in other States. We, therefore, recommend that the levy should be abolished (Para 13).

Chapter XVI—Plantation Labour Act and Labour Welfare

Our enquiries show that Rs. 2,000 is a reasonable estimate for a new house. It would be fair to estimate that expenditure will have to be incurred at the rate of Rs. 2,000 for two-thirds of the number of houses to be newly built and at Rs. 1,000 for balance of one-third to be remodelled. On this basis the cost of providing the requisite number of standard houses would be Rs. 42·7 crores in North India covering an area of 4,86,873 acres and Rs. 4 crores in South India covering an area of 1,20,215 acres or a total of Rs. 46·75 crores overing an area of 6,07,088 acres, for which information as regards the number of families requiring houses, is available. For the industry as a whole covering an area of 7·8 lakh acres the cost would be of the order of Rs. 60 crores. We, however, think that a reduction in cost may be possible if suitable locally procurable building material could be used wherever possible, timber, brick and lime mortar could be

substituted for cement and steel. In hot and damp regions a thatched house, provided it is well constructed and damp and wet proof, may be suitable.

One of the reasons advanced for the slow progress of housing construction was the difficulty of getting cement and steel in sufficient quantities. These matters will be considered by the Advisory Committees to be set up under the Plantation Labour Rules and we do hope that these committees and the State Governments will keep in view the felt needs of the workers in each region and the availability of materials both from regional as well as national points of view. These limitations should also be kept in view in respect of other constructions as creches, canteens, hospitals and school buildings. Our observations regarding workers' houses apply to buildings for schools and creches, etc. (Para 7)

Considering the magnitude of capital expenditure, Rs. 60 crores under housing and Rs. 4 crores for garden hospitals, it will have to be discussed with the Planning authorities in the country and correlated to other capital expenditure so that national priorities are in no way prejudiced for want of co-ordinated policies (Para 8).

Expressed in terms of production the capital expenditure is Rs. 1-5-2 and Rs. 1-2-3 per lb. for North and South India respectively. The recurring expenditure per lb. is 3 annas (Para 11).

We agree with Dr. Jones' view that what is required is not so much large specialist hospitals as measures that would help in securing for the workers efficient sanitation and a balanced diet which will give them increased stamina and resistance to disease.

We hope the State Government concerned will examine the necessity of group hospitals with respect to the needs of each region in the light of alternative arrangements that can be made and grant exemptions if and where necessary (Para 13).

If the level of profits prevailing during the four years i. e. 1950 to 1953 could be taken as an indication for the next few years, we could anticipate a net addition to internal resources of the companies of about Rs. 50·63 per acre per year. This is rather a limited amount to meet the obligations under the Plantation Labour Act and to meet the other important needs of the industry. This fact will have to be taken into consideration in phasing the implementation of the Plantation Labour Act.

The availability of funds for the implementation of the plantation Labour Act will have to be considered along with the availability of funds for replanting and other reserve funds and for necessary finance for implementing other recommendations made by us. Other important factors to be considered will be the burden of additional taxation, if any, on this industry and the competitive position of Indian tea in international markets (Para 14).

We recommend that Government loans should be made available to the plantation industry at rates of interest and terms of repayment as available to other industries under the Industrial Housing Scheme (Para 15).

We recommend that the local authorities should not levy any rates or taxes on plantations in respect of conservancy and lighting, etc., unless they are in a position to provide these services in a satisfactory manner.

Wherever the employers have to provide for the maintenance of civic services such as conservancy, water-supply, etc., it would be desirable to manage these through committees on which workers are adequately represented. The maintenance of canteens may also be delegated to the same committee with advantage. (Para 16)

We suggest that the plantation labour welfare organisation may be instituted. This organisation should be established and controlled by the Government of India.

In the event of an estate being brought to sale before the phased programme of implementation is completed, we recommend that the State Government should assess the undischarged liability of the seller in regard to his obligations under the Plantation Labour Act and recover such amounts as may be necessary for this purpose from the seller before registering the sale (Para 17).

Chapter XVII—The Small Producer

Though numerically in the majority, the total extent of the estates below 100 acres is only about 32,800 acres and total estimated production 8 million lbs., constituting 4.17% and 1.34% respectively of the all-India total acreage and production (Para 1).

Generally speaking, the small estates have very limited resources and as a consequence their productivity is low. Most of them have no factories.

The general practice in South India is for the small tea factories which buy the green leaf from the small producers, to advance them money to finance their cultivation and other expenses (Para 4).

Similarly, in the Kangra District the small holders are largely dependent for their finance on the merchants who buy their tea (Para 5).

In U.P. as well as in some other tea growing States, small holdings were leased out. The condition of the holdings generally deteriorated in the course of such leases (Para 6).

The difficulties from which the small producers of tea suffer are similar to those which affect small agricultural producers elsewhere in the country, namely lack of credit and inability to get full advantage of the market for their commodities. The remedies to be applied are, therefore, the same as those which have been suggested for the solution of the credit and marketing problems of the small rural producer in the valuable report of the All India Rural Credit Survey. In most

of the regions where they are located, we expect it will be possible to organise primary societies with reasonably large membership consisting of tea growers alone. The criterion for determining the size should be the margin available for appointment of a Secretary and the minimum complement of staff. In areas where this is not possible, for the reason that a sufficiently large number of small tea producers are not available to sustain a good sized primary society, they should join the general agricultural credit society organised for the locality (Para 7).

Processing factories of tea could be purchased from private persons where the State Governments feel that it is in the public interest to do so and where 30% of the price is raised by the producer members of the State-partnered processing and marketing societies. Secondly, where companies were intermixed with small holders, the marketing society should include both. It would be conducive to economy and efficiency, if the Registrar of Co-operative Societies delegated supervision to the advisory staff of the Tea Board (Para 9).

When the small holders form co-operative societies, they should be granted assistance somewhat on the lines on which the Government of Ceylon grants loans to the tea growers co-operative societies (Para 10).

A suggestion often made is that when gardens are found to be chronically uneconomic and are unable to pay their way, they could be made economic by amalgamating them with larger units in the neighbourhood. The efficacy of compulsion in the matter is very doubtful. Voluntary amalgamation of small gardens into larger ones where there is a desire for it would of course be given every encouragement (Para 12).

One solution for uneconomic estates lies in the designing of small machines for rolling and drying. Instead of making the plantation bigger by amalgamation, the machines may be made smaller to suit estates of 100 to 300 acres. A number of representatives of the industry made the request that Government should encourage research and manufacture of smaller machines in India which would suit the resources of small producers and also release them from their dependence on foreign countries for tea machinery. Researches in this direction have an urgency about it in the interest of expansion of the Tea Industry (Para 13).

Chapter XVIII—Research training and advisory services

The Board has had under consideration for some time the question of rendering assistance to the Tea industry by setting up a Tea Research Institute in South India. This is a proposal which should be pursued with vigour (Para 8).

The endeavour of the Tea Board should be to review the field of research and advisory work already covered, and to supplement and expand it to the extent necessary so that all sections of the industry in all the regions get the benefit of scientific information necessary for their purpose (Para 9).

Steps will have to be taken to ensure that there is co-ordination in work between research institutions which already exist and which may be set up hereafter. It should be possible to secure this by mutual consultation. If at any stage it is found necessary to make any direct financial contribution by the Tea Board to any research institution run by any private organisation, such contribution should be subject to periodic inspection and review by the Tea Board. We recommend that in order to carry out and co-ordinate the research activities, a Directorate of research should be formed in the Tea Board. The Directorate when established should also be in charge of the educational and extension work (Para 10).

The numerous body of Indian producers who are not members of these associations and who are in even greater need of guidance in tea growing, have at present no easy access to sources of scientific knowledge. We feel that the Tea Board in the discharge of their responsibility for the dissemination of scientific knowledge of tea production should start an advisory service for the benefit specially of this section of the industry. It will be the function of this service to visit the small and medium producers to find out their problems and give them advice and guidance in the matter of tea production. To be effective the advisory staff will have to be adequate in numbers to reach every producer (Para 12).

The Advisory Officer will not be able to function effectively in any region unless he has the support of the local planting community whom he has to help and advise. We, therefore, recommend that the Tea Board should organise in a suitable manner Regional Advisory Committees of representative and influential planters whose help will be available to the advisory officer to facilitate his work by securing necessary local co-operation. The aid of these local committees of producers should also be available to the advisory establishment of the Tea Board for purpose of planning and development of the industry in the region concerned (Para 15).

We recommend that the Tea Experimental Farm at Palampur should be transferred to the Tea Board to be developed into a suitable demonstration farm to meet the needs of the Kangra District. We recommend that the State Government should transfer the farm to the Tea Board free of charge (Para 16).

The Tea Board should make necessary arrangements for specialised training of their advisory officers in tea culture in collaboration with existing Tea Experimental Stations and agricultural colleges. It is also necessary to provide facilities for the training of planters so that those who wish to do so may take advantage of such facilities (Para 17).

We agree that the need for providing a suitable course of training in tea growing and manufacture for young men who contemplate making tea production a career, either as proprietors of their own estates or as employees of companies is very real. The Tea Board in consultation with the industry should organise such a course in a suitable

place, one in North India and the other in South India. In the case of the new entrants, preference should be given to those sponsored by their prospective employers. We hope that in due course all managerial and supervisory posts in the Tea industry will be filled by those who have undergone such a course (Para 20).

The smaller companies could also obtain the advantages of drawing upon a large cadre of experienced managerial personnel if they will combine together for the purpose of organising such a cadre. Any such association of producers for this purpose will have to be on a voluntary basis. We recommend that the Tea Board should give every encouragement for the formation of such common cadres (Para 21).

Chapter XIX—Regulation of the working of companies

The possibility of any reduction in production costs lay partly in bringing down the administrative costs incurred on Non-Indian managerial staff and managing agencies (Para 8).

We have made recommendations for the creation of new co-operative organisations for supplies, insurance and marketing and greater assistance from the State Bank of India and State Finance Corporations. When these institutions recommended by us are fully developed, the need for the managing agency system in the Tea industry should disappear.

We recommend that remuneration to staff should take the form of a fixed salary (Para 9).

High managerial overheads are by no means essential for efficient productivity. We suggest that the Tea Board should be empowered to examine cases of disproportionately high remunerations paid to managerial and other senior staff in tea companies and when necessary advise companies concerned in this connection and exert its influence in reducing the disparities that exist at present (Para 10).

We recommend that an increasing number of Indians be appointed in the managerial cadre of tea companies (Para 11).

We feel that it is essential that a system of local audit of the garden expenditure and other branch office expenditure should be insisted upon by the Government in the case of all companies (Para 12).

We suggest that in regard to the exercise of powers under the new Companies Act, there should be consultation among the Ministries concerned, the Company Law Administration and the Chairman and Vice Chairman of the Tea Board. They should decide as to which powers should be delegated to the Tea Board, which should be exercised after its consent and which by the Company Law Administration directly (Para 13).

In our opinion all plantation companies should be required to seek the permission of the Controller of Capital Issues before increasing their capital either by new issues or by capitalisation of reserves (Para 14).

Chapter XX—Sale of Tea Estates

A good many tea estates in the ownership of foreign companies and individuals have been purchased by Indian nationals and in the majority of the estates sold which included also marginal ones, replantings were over-due at the time of sale for which the buyers often made no provision (Para 1).

If a return of at least 4% on the purchase price per acre is to be obtained over a long period, the prices paid in some of these cases were excessive leading to all the bad consequences that usually followed from over capitalisation. We recommend that if the seller or a prospective buyer so desires, the Tea Board should send its expert evaluators to assess the price of the tea estate. Such evaluations should also be done for the benefit of the Department of Company Law Administration and the Reserve Bank of India, as and when necessary (Para 2).

In order to make sure that the buyer becomes aware of his obligations to the workers employed and takes responsibility for their continued employment on the same terms as under the previous employer, there should be a stipulation in the deed of transfer that the buyer takes the responsibility and the buyer should also intimate accordingly each employee so taken over, under advice to the State Commissioner of Labour. A tribunal in Assam has delivered the following judgment in respect of staff: "When an estate is sold as running concern, the incoming management must take over the staff in addition to ordinary labour on the same terms and conditions they had under the outgoing management." The principle stated in the judgment should be followed invariably in all cases of changes of ownership of estates (Para 3).

Chapter XXI—Expansion and Development

The restrictions imposed by the International Tea agreement in its implementation do not appear to have hampered normal expansion of the Tea industry in India, since even the extensions of acreage of tea permitted under the agreement have not been fully utilised by the industry (Para 1).

Though expansion of the area under cultivation has not proceeded up to the limits permitted by the International Tea Agreement, the increase in production of tea during the period was much more than proportionate to the increase in acreage (Para 2).

It would be desirable to continue the machinery provided by the International Tea Agreement so that all problems of the industry concerning production and absorption may be kept under constant and close study by the International Committee and regulations initiated if and when the situation demands it (Para 3).

It will be necessary for Government and the Tea Board to have necessary reserve powers to regulate the orderly development of tea cultivation and exports (Para 4).

Efforts should continue to be made so as to lead to a steady increase in consumption of tea both in the home market and abroad by organised and systematic propagandaPromotion activities should be continued and intensified. These functions should be better performed if the Tea Board appoints an Export Promotion Committee consisting mainly of exporters of tea for looking after various matters relating to expansion of Indian tea sales abroad. Arrangements should be made for carrying out well planned market studies in tea consuming countries abroad with a view to the formulation of suitable plans for the expansion of our tea sales. Suitable market studies should also be conducted in India. Special efforts must also be made for the intensification of tea promotion work in India as the potentialities of the internal market are very great, and a large and growing internal market is necessary for the stability of the industry (Para 5).

In the last 5 years there has been an increase in production of about 66 million lbs. It may be expected that in the next 5 years there will be similar increase in which case by 1960-61 production may reach the figure of 710 million lbs. Provided measures for the promotion of tea consumption in India and abroad are pursued energetically on well planned lines, there is no reason to think that the increased production will not be absorbed. In our assessment, the immediate problem before the Tea industry in India is not so much any large scale extension of the area under cultivation as of continued maintenance of results already achieved and improvement of existing assets. As a result of the introduction of the cheap tea scheme and the increase in national income, the internal consumption is likely to increase. This may, in course of time, necessitate new areas being brought under tea cultivation. In entering into any international agreement, powers should be reserved to enable the Government to allow the necessary expansion to take place without restriction. In the matter of maintaining and improving production, special measures will be necessary to help the weaker sections of the industry (Para 7).

In order to ensure that land is available when the need for it arises and also to provide for possible expansion of the industry in the future, the existing blocks of virgin land suitable for tea growing in the tea growing States should be reserved for the industry..... We, therefore, recommend that the Tea Board should with the help of the States have a proper survey made of such lands, maintain a proper record of them and come to an agreement with the States so as to ensure that the lands are not diverted to any other purposes (Para 8).

In the case of plantations which are already worked as large single units of production, any attempt to change their structure by breaking them up into numerous small units will result in a break down in production (Para 9).

The Punjab Security of Land Tenures Act, 1955, is applicable to plantations. Under that Act, tea estates could be asked to hand over to tenants their areas in excess of 30 acres. We recommend

that the tea plantations in the Punjab should be exempted from the provisions of the said Act (Para 10).

For carrying out the additional functions to be conferred on the Tea Board, we feel it will be desirable to provide for the constitution of some more standing committees of the Board (Para 12).

Provision should be made in these committees for co-operation of experts whose knowledge and experience would be useful for their functioning. These experts could sit as non-voting members (Para 13).

Summary

According to our terms of reference we have to make recommendations to Government on the measures necessary—

- (a) to secure for the producer a fair price for his product and to the consumer a fair price for the article he buys;
- (b) to enable the provision of necessary finance for the plantation industry;
- (c) to ensure suitable marketing arrangements; and
- (d) to develop and expand the Tea, Coffee and Rubber plantation industries.

In the earlier chapters at the relevant places we have already made our recommendations on these points. To recapitulate briefly, we have, in the previous chapter, observed that the industry's objective should be to regulate production so that supply approximates as closely as possible to demand and at the same time take all possible steps to increase demand. If this is achieved and the various recommendations made in the several chapters of the report which have a bearing on reduction of costs of production, marketing and other expenses are implemented, and attention paid to improvement of quality of the tea produced a steady market should be assured for Indian tea. The producer will then be able to secure a fair price for his produce. So far as the consumer in India is concerned we have in the chapter on 'Marketing of tea—retail distribution' made certain suggestions for broad-basing the distribution system. We have also made the recommendation that the Tea Board should make a special investigation regarding the difficulties under which the small packaging firms are suffering so that positive steps may be taken to increase their competitive capacity. We feel that if as a result of these, the packaging and retail vending of tea is made more broad-based and packaging overheads are reduced and thereby tea sold at a cheaper price, the consumer will be enabled to get tea at a fair price. So far as the overseas consumer is concerned, as already observed by us elsewhere, it is not possible for us to suggest any similar concrete measures*.

* It may be noted here that the British Monopolies Commission is already investigating allegations regarding restrictive and monopolistic practices in the British tea trade.

In regard to finance we have already made certain suggestions in the chapter on Finance. If these suggestions are implemented the producers will be enabled to get their requirements of finance both for short and long-term purposes, adequately.

In the chapter on 'Marketing of tea—primary sales' we have made the recommendation that the Tea Board should take over the responsibility for regulating the warehousing and the auction sales of tea. This, if given effect to, will make the marketing system more broad-based and eliminate existing complaints.

For development of the Tea Industry we have recommended that there should be a Development Staff with the Tea Board and that the Board should also provide an advisory service, organise training courses and co-ordinate and aid scientific research and provide for some more standing committee. We have offered some suggestions for the regulation of working of tea companies and have also suggested that a statutory reserve should be formed in each company for meeting development expenditure, details regarding which have been left to be settled by a committee. These and the measures recommended for replanting and improvements of the fixed assets of the industry in the relevant chapters will go a long way in meeting the development needs. In regard to further expansion, our view as already expressed elsewhere is that the immediate problem before the industry is not so much the need for a large scale expansion of the area as of continued maintenance of results already achieved and improvement of existing assets.

Acknowledgments

Before concluding our report on Tea we wish once again to thank the Assessors who were associated with the Inquiry and who accompanied us on our tours at great personal inconvenience to themselves, and helped us to see a good cross section of the industry in different regions and to understand its problems. Our thanks are due to the Ministries of the Government of India for their co-operation in conducting the inquiry. We also thank the State Governments and the producers' Associations in the various tea growing areas for their help in conducting our tours, for having furnished replies to our questionnaire, helped us with their views in our meetings with them, and given detailed information on many points on which we had to make references to them. We thank the Tea Board for the trouble they took in furnishing detailed answers to our questionnaire and to many references we had to make to them during the course of the inquiry. Our thanks are also due to the tea companies and proprietors who furnished replies to our questionnaires, supplied statistical data on our proformas and granted facilities for visits to their tea estates. They must have devoted a great deal of time for collecting the detailed statistical data which was necessary for furnishing answers to the questionnaire and the proformas. Our thanks are also due to the Superintendents and Managers of the Estates we visited for their kind hospitality and for the trouble they took in taking us round their estates and

explaining their problems. We also thank the tea trading organisations and companies who answered our questionnaire and furnished us information. The Government Cost Accounts Officers helped us in all stages of work and our special thanks are due to them and their staff.

P. M. MENON
K. G. SIVASWAMY*
M. V. MATHUR

* Subject to enclosed dissenting minute.

NEW DELHI;
27th April 1956.

MINUTE OF DISSENT
OF
Shri K. G. SIVASWAMY
(Member)

INTRODUCTORY.

The Commission report comes to the following findings about Non-Indian managing agencies and their companies. Only they are spread out—and it cannot help it—in different chapters. The following is the Commission's finding on concentration:—

(1) "In an industry in which capital is so largely in the hands of foreign business houses and 75% of whose production is controlled directly by a limited number of agents of these foreign firms and whose produce is sold largely to the same foreign country and in many cases through the same agents it is inevitable that there should be a high degree of concentration. (Ch. III, para. 16). 'Large concentration of business.....can conceivably work to the disadvantage of sellers in certain circumstances.....Excessive concentration of economic power (auctioning and warehousing) give room for complaints of discrimination and other grievances. The situation is, therefore, inherently unsound.'" (Ch. XI).

(2) The object of the concentration is restriction of supplies and maintenance of the highest possible price which will, however, not create consumer resistance. The following are the Commission's findings on this subject.

"In India the prices are high and they need to be reduced". (Ch. XII, Para 15).

As regards the competitive strength of the industry in international markets, the report of the Commission said that "changes in the cost of production are a *prima facie* indication of the same," (Ch. VII). Possibly this meant that the producer got such a competitive price that it could cover the uninterrupted growing costs since 1933.

(3) High price is reflected in high profits. The report of the Commission said that 'changes in costs of production are also a *prima facie* indication of profitability'.

"The ratio of gross profit to total capital employed in the Tea planting industry has been high". (Ch. XIV, Para 5).

(4) This high price is not necessary as there is room for economies.

"All Indian companies with the exception of the Partly Non-Indian under Indian managing agencies have secured better margins than the Non-Indian, despite the low price per lb. which they got, although the difference is not very large." (Ch. VII, para 2).

"Under the head 'general charges' there is room for reduction of costs by decreasing the remuneration paid to managing agents and secretaries, by abolishing the commission paid to managers, etc., by increasing Indianisation and rationalising the salary structure of the managerial cadre". (Ch. VII para 23).

(5) These high costs for which there was 'room for economies', and therefore an unnecessary burden on the consumer were not 'necessarily disadvantageous' to the producer. Such was the high character of the profits.

"The costs of production are generally higher for the Sterling and Non-Indian estates and lower for Indian estates though the high costs are not necessarily disadvantageous for the former". (Ch. VII, para 21).

(6) The objective being restriction of production, and maintenance of a high price without any consideration for maximum reduction in costs, increase in productive capacity will defeat its objective. Hence the fixed assets are kept to a minimum, and also at a lower level than necessary. This will be seen from the following observations in the report (Ch. III).

"The larger proportion of old plants, those planted before 1900 are in gardens under Non-Indian ownership ranging from 43.4% in the case of Non-Indian Rupee companies to 29.4% in the case of Sterling companies...During the ten years ending 1953, the extent of replanting has been less than 1% per year. In spite of the need of a programme of replanting for the very existence of the industry in the long run, we have observed that progress has been tardy." (Ch. IV Para 18).

(7) The point to be remembered in an industry based on restriction of production, is that it is dangerous for it to increase the fixed assets as it would result in unused capacity. Price and profit being high even after covering costs in which there is 'room for reduction' and growth of assets being dangerous to the industry, the need for share capital was low, and for reserves was equally less.

"The increase in the paid-up capital was not very significant. What little there has been is almost wholly accounted for by the issue of bonus shares, etc. Looking at the percentage for reserves in relation to total assets either including or excluding taxation reserves, either in 1939 or 1953, all companies showed a noticeably greater percentage of reserves to total assets than Sterling companies.....In the case of Sterling companies the percentage of net worth to total assets fell between 1939 and 1953 by 22% and in the case of Non-Indian companies the percentage fell by 14 to 23%." (Ch. IV, Paras 33 and 44).

"In general our analysis indicates that Indian companies have shown a higher rate of growth of assets than Non-Indian companies." (Ch. IV, Para 26).

(8) Increase in productive capacity being a danger to the industry and consequently the need for reserves being less, and profits being high despite unnecessary costs, there is no alternative to a greater distribution of profits than in free industries which had to develop fixed assets to increase production and meet a growing demand.

“A limitation on dividends by half would itself have enabled most companies to increase their internal resources by about 25%.” (Ch. IV Para 51).

“Remuneration to managing agents on a percentage of gross sales and profits results in substantial payments having to be made as managing agency commission even when profits are low or non-existent as in 1951 and 1952.” (Ch. XIV, Para 6).

“Withdrawals for payment of dividend have been found to be made not only from general reserves other than dividend equalisation reserve but also from specific reserves like the building and machinery reserve”. (Ch. XIV, Para 15).

“The percentage of companies which paid a dividend of 20 and 39% was greater in the Sterling and Rupee Non-Indian group than in the Indian group. Distributed profit expressed as percentage of profits after taxation was far higher in Sterling companies in 1953 than in Indian companies. Though it was less than that in Non-Indian Rupee companies, Rupee companies under foreign managing agencies have made a greater distribution after tax than those under Indian agencies.” (Ch. XIV, Paras 16, 18 and 19).

The findings are those of the Commission report, but the links supplied are mine.

In the following pages the Tea industry is studied under the heads of (I) Concentration in the Non-Indian section of the industry, (II) The Indian section of the industry, (III) Labour and taxation, (IV) Production targets, (V) A fair price for the consumer and the producer, (VI) Profit-sharing, and (VII) The future.

The study restricts itself to the points of difference with the report which the Commission with the best of motives was unable to accommodate in it. These points are also partly an elaboration of the ideas in the report. This dissenting minute along with the report is a balance-sheet of our ideas as on this date.

Let me record my grateful thanks for the willing, continuous, and understanding co-operation which I received from the Chairman and my colleague Professor M. V. Mathur without which this minute would have become longer.

SUMMARY

(Figures in brackets denote the number of the para in the dissenting minute).

(1) *The Non-Indian Producer Concentration.*—The main feature of the industry was the concentration of production. 52% of total North Indian production was in the hands of 7 Non-Indian managing agencies, 4 held 36.2% of production, and 13 in all produced 371 million lbs. of tea, out of 487 million lbs. in North India, *i.e.*, more than 75% of production (Para 3).

In the companies under Non-Indian managing agencies, control of the latter dominated over the ownership of the former. The managing agency structure was highly costly. As recently pointed out by a former representative of a managing agency in the Financial Times, London—'By present day standards the terms were harsh but beggars (Sterling companies) cannot be choosers. In the process of time the risk diminished but the agency terms remained unaltered.' (1) Out of profits after tax, including commission to managing agencies, the latter formed 19.4% in 1950, 14.5% in 1953 and 11.5% in 1954. 1953 and 1954 were boom years and the proportion is less because of high profits. (2) Cost of production in the companies of managing agencies was always higher between 1950 and 1953 than in Indian companies, the difference ranging from Rs. 17 per 100 lbs. in 1950 to Rs. 38 in 1953 (a year of lowest costs). For an acre yielding 800 lbs. the difference amounted to Rs. 304 per acre (Para 10).

Gross profits too were high. As compared to gross sales it was 27.24% in 1953. As related to paid up capital it was about 25% in 1953. The figures of the Taxation Enquiry Commission in respect of Indian Rupee companies showed tea as making the highest net profit as percentage of net worth in 1946-1951 as compared to all industries excluding Matches (Para 5).

Despite this high profit, Sterling companies could not show a greater gross profits than Indian companies.

The high prices got for tea by Sterling companies (Rs. 2.3 per lb. in 1953 as against Rs. 1.6 by the Indian Director-controlled companies) did not reflect itself in high profits because of these high costs. The gross profit per lb. in 1953 was 0.6 rupee per lb. in the case of Sterling and 0.66 in the case of Public Ltd.,* or a small difference of Rs. 54 for an acre yielding 900 lbs. If profits after tax were considered for 1953 it was 0.4-6 pies per lb. *i.e.*, Rs. 283 per acre yielding 900 lbs.

NOTE.—* Where 'Public Ltd.,' occurs, it may be taken as Indian Public Limited Director-controlled.

in the case of Sterling companies and Rs. 450 in the case of Public Ltd. and Indian companies. This was because of the greater allocation out of profits as commissions and taxes, etc., by the Sterling companies. (Para 4).

What profits the Non-Indian companies made they distributed to a greater degree.

Distributed profit as percentage of profit after tax.

Sterling		Indian under Indian managing agencies		Indian Director controlled.	
1950	1953	1950	1953	1950	1953
42.2	27.5	28.1	7.7	32.8	13.9

Also both the surveys of investment income on capital invested made by the Reserve Bank on the basis of its census of foreign assets and liabilities in 1948 and 1953 published in its bulletin in 1952 and January 1956, showed a profit of 20%. (Para 7).

This high-cost, high-profit structure along with a greater distribution of profits was maintained by a high price achieved by a high concentration among these dozen managing agencies controlling the Calcutta and the U.K. auctions to the extent possible. In 1953 Sterling companies made a price of Rs. 2.3 per lb. as against Rs. 1.6 by the Public Ltd. The difference in price was 12 as. per lb. not solely due to sale of better tea, but sale at high price to the U.K. consumer (Para 6). In 1954 the price in the U.K. went up to more than 7 shillings (about $1\frac{1}{2}$ to 2 sh. more than the normal rate) (Para 19). The U.K. auction price has always been high, 165% more than in 1934-1938 even in the crisis year of 1952 (Para 16).

This high price structure has been maintained by an international agreement among producer—combines in India, Indonesia, and Ceylon since 1933. The agreement prohibited expansion till 1948 except to the extent of $\frac{1}{2}\%$ and that too only 'where the existence of a tea estate would be otherwise imperilled' (Para 78). When the restriction under the agreement was found inadequate, voluntary restriction was followed by a combination among the managing agency houses. As a result of restriction, supply was always kept less than the demand resulting in a price level which gave more profits than necessary for covering actual costs. As the objective of the combine was maintenance of a high price by restricting production, it was, therefore, opposed to expansion. It needed, therefore, less money to develop its productive capacity namely fixed assets, it thought less of reserves as they were not essential for a deliberately closed industry, neither much share capital was needed. It was afraid to develop the fixed assets lest it might result in increased production. These explained the poor rate of growth of internal resources as well as assets (Para 32A). After a century of growth, the percentage of net worth, during 14 years of the International Tea Agreement (1939-1953), to total assets has fallen for the Sterling companies from 87% to 65% while it has risen from 78 to 82 per cent in the

Public Limited. Non-Indian companies showed a similar fall. Share capital and reserves show negligible growth in Sterling and Non-Indian companies. Investment of reserves in fixed assets was poor. Working funds were poor. Increase in fixed assets was nearly three fold of the Sterling companies in Indian companies between 1939-1953. Floating assets per acre also showed the same results. Poor resources and poor fixed assets are the consequence of restrictionism to which increase in productive capacity is poison and high profit distribution is, therefore, a necessity. The Indian section did not so much act under pressure of restrictionism and hence had a normal growth of resources and assets (Para 12).

A lot of wastage results in the high-cost structure as in the purchase of stores of high value even in the crisis years of 1951 and 1952. One of the Sterling companies (Singlo) referred in its latest report to the directors "Pleased to record a further satisfactory reduction in the sums locked up in stores and that a special provision has been made for deterioration and redundancy". The Commission has also noted about wasteful expenditure on stores (Para 11). One consequence of this concentration was it raised the price of low-grade tea for the Indian consumer to such levels that difference in price for the better tea sold in export auction and of the dust tea sold in internal auction has narrowed from about 5 to 10 as. between 1939 and 1947 to 6 pies and 5 as. 8 pies between 1948 and 1954 (Para 22). The Indian demand rose between 1931 and 1946 by $7\frac{1}{2}$ ml. * lbs. annually (Para 86). Between 1952 and 1954 the annual increase is 10 ml. lbs. Between 1942 and 1953 the quantity exported rose from 334 ml. lbs. to 497 ml. lbs. while that available for internal consumption was 238 ml. in 1942, 292 ml. in 1946, 213 ml. in 1950 and 204 ml. in 1952. While demand has been increasing in India, the amount available has been decreasing resulting in an unconscionable price of Rs. $3\frac{1}{2}$ as. per lb. which few Indians can afford (Para 25). Also while world population increased by 42% during the last 40 years outside Asia, tea consumption increased only 11% (Para 83). The production increase in India from 1935 to 1949 was only 40% as a result of restriction (Para 82).

Short supply as against large demand is the main feature of this combine tied to restriction of production. The objective of the combine is not reduction in costs and expansion of supply. High costs are covered by boosting prices and by not reducing them. Deliberate output restriction means less jobs. Neither the combine provides alternative employments by its investments. The interlockings of companies under a single holding company as subsidiaries, associates, etc., helped the maintenance of the high price structure. The Company Law Administration said :

"Company X sells the produce of the gardens under their control to their opposite numbers in the U. K. Company Y in their turn sells some of this tea to the U. S. A. on contract with the parties there. The profits earned on these

NOTE :—* Throughout this report the word "ml." stands for "million".

transactions are credited to company Y, although their functioning as an intermediary may not be necessitated by marketing conditions but may be only a matter of arrangement with company X made possible by virtue of the control of company X over the tea gardens under their management" (Para 14).

Collusive deals and unfair repatriation of capital can hardly be found out in this interlocking. The latter, though legal in form, is 'a menacing instrument of market control'.

Another example of the operation of these interlocked companies is given below. Stanmore (Anamally) Ltd., is one of the subsidiaries of Messrs. Brooke Bond Ltd., London. This company paid a dividend of $87\frac{1}{2}\%$ in 1951, $161\frac{2}{3}\%$ in 1952, and $72\frac{1}{2}\%$ in 1953. They have stated in their reply that dividends declared by them bore no relation to profits earned but were dictated by the financial needs of the holding company in London.

The F.A.O. Commodity Report Tea, 1953 said about the existing structure, "another measure to which these producers may have to resort to is simplification of the capital and management structure... reduction of overhead costs" (Para 106). The defects, therefore, in the existing structure are restriction in production which fails to meet the demand, high price which stifles the demand, failure to reduce costs, and a deliberate restriction of productive capacity in order to restrict supply resulting in distribution of high profits, low reserves, low share capital, and poor fixed assets (Para 32a).

A huge concentration also operated on the marketing side. The tea directly consigned including private sales amounted to 53% of export tea. The checking of direct consignments by officers of Government and the Reserve Bank whether the price mentioned in the invoice for export tallied with the price realised at the other end in the U. K. market, could only be a mechanical check of documents. The best tea was not sold in the Calcutta auction. Messrs. Matheson & Co. Ltd., said that

"it might be considered that Indian tea trade is adversely affected to a certain extent by reason of the fact that traders in London benefit from the sale of Indian tea in London and not in India and possibly a certain amount of foreign exchange may be lost by re-export."

The Tea Council of Ireland complained "about an abnormally large proportion of the crop having been shipped direct from the gardens to London".

The dealers of Iran complained about re-exports from London instead of their being permitted to buy in India.

The amount of tea under private sales and forward contracts has leaped from 34 ml. lbs. in 1953-54 to 73 ml. lbs. in 1954-55 in order to circumvent the limit on direct export consignment to the U.-K. fixed by the Government. (*Vide Statesman* 13th January, 1956). As

between the auction price at Calcutta and the sale rate of private sales and forward contracts the difference amounts to about a rupee per lb. The reactions of these sales on evasion of taxes, repatriation of capital, and low profits for the concerns etc. are serious. Administrative control may not prove fruitful in discovering collusive practices (Paras 13 to 15).

About 50% of the quantity auctioned in Calcutta was purchased by 8 managing houses who were also producers (Para 15). The auction was mainly in the hands of 4 European brokers about whose excessive charges the Indian section complained. 96.5% of the tea auctioned was in their hands. They got a return of 131.9% on their paid up capital half of which was not actually paid, and the return amounted to Rs. 91.38 lakhs. They lent to producers Rs. 2½ crores thereby controlling their produce for sale. They were in the executive of the auction committee, were also producers, and brokers also for sellers whom they informed beforehand their valuations (Para 24). Warehousing was a monopoly in the hands of a single company, who were also producers and exporters (Para 23). Transport was in the hands of a joint-steamer transport company and the Indian section was dissatisfied with its service (Para 65). Blending and distribution of 95.6% of packaged tea and 54.41% of Indian consumption was in the hands of two companies (Para 25).

Exports by Non-Indian firms in 1952 were valued (Reserve Bank figures) at Rs. 4093.4 lakhs while export by Indian firms was valued at Rs. 5,34.8 lakhs. The former sent their exports amounting to 99% of their value and the latter 88.6% of their value through exchange banks incorporated in the U.K. Exchange earnings and profits of export finance naturally went to these banks. Internal finance too was in their hands amounting to Rs. 6.7 crores for 85 Indian Rupee companies. Stock and transit insurance amounting to Rs. 1/8/- per 100 lbs. in 1953 for Non-Indian companies was generally in the hands of Non-Indian insurers.

Freight charges in 1949 according to a survey of the Reserve Bank amounted to 5.2% of the value of exports and marine insurance charges, to 2.5% of the value of exports. As the value amounted to Rs. 41.36 lakhs for Non-Indian firms, the charges realised by Non-Indian shipping and insurance companies would amount to Rs. 3.18 lakhs. These figures have not, however, taken account of general insurance for buildings and machinery etc. So long as more than three-fourths of the produce was in the hands of 13 Non-Indian managing agencies in North India, control of marketing by rules and regulations has only a limited value. Proposals regarding marketing are made in para. 41 (Paras 26 to 30).

The U.K. wholesale market was concentrated in the hands of a few buyers. The London firms of the Calcutta managing agencies being the chief owners of manufactured tea had control over them. Their 'wild selling' in 1954 is referred to by U.K. buyers in Tea and Rubber Mail of 17-3-1955. Prices soared to 7sh. a lb. and the

British consumer and U. K. Government had to resist it. The International Confederation of Trade Unions wanted "a full-scale impartial enquiry to put a curb on undue profits earned by monopolistic producers and traders and remarked that there may well have been a deliberate attempt on artificially manipulated shortage". Expansion and contraction of auctions in U. K. and Calcutta was possible by these managing agencies. Any regulation of quantum of exports to U. K. by the Government depended on their goodwill and co-operation (Paras 16, 17, 18, 19 and 20).

(2) *Replanting needs.*—Non-Indian companies have failed to provide for adequate resources to conserve the tea plant which is a wasting asset. The consequence is that if immediately they did not replant 2 lakhs and 28 thousand acres out of 5 lakhs 12 thousand acres they owned, (this was the estimated area of bushes planted before 1910 on the basis of figures supplied by reporting companies), the industry may not exist in 44% of the tea area. This will need for replanting a sum of Rs. 56.95 crores at the rate of Rs. 2,500 per acre. The working funds available with Non-Indian companies amounted to Rs. 35 crores. An additional sum of Rs. 21 crores would be needed by the Non-Indian companies. This did not take into account the further sum that would be required for old bushes planted between 1910 and 1930 which would amount to Rs. 43.65 crores (Para 9). This situation has been brought about by a sectional objective to get at the expense of the community the highest possible price by restricting production. The producer combines also tied their own hands by the International Tea Agreement by prohibiting expansion till 1948 except to the extent of 1/2% per annum over the planted acreage in 1933 and that too only "where the existence of a tea estate would otherwise be imperilled". The biological life of the tea plant needed a provision of replanting 1-2/3% of the area every year to maintain the tea bush as a fixed asset. Within 10 years the industry may collapse if immediate steps were not taken for replanting. "Dividends declared without providing for rehabilitation may represent a partial return of capital" according to U. K. Accountancy professional societies who are auditors of planting companies (Para 9).

3. Including this cost of replanting pre 1910 bushes, the unalterable additional costs will amount to 6 annas per lb. even if capital expenditure according to the Plantation Labour Act was slowed down (2 as. per lb.) and transit tax in Assam (1 anna per lb.) and octroi duty in Calcutta (6 pies per lb.) were abolished. The additional costs are, (i) compulsory levy for future replanting (1 anna per lb.), (ii) replanting costs for existing aged bushes (1 anna 3 pies per lb.), (iii) cheap tea scheme of the Commission (5 pies per lb.), (iv) excess interest on borrowings and provident fund (4 pies per lb.), (v) road tax and octroi (0-1-6 as. per lb.), and (vi) recurring charges under Plantation Labour Act recurring 3 as. per lb., and (vii) non-recurring charges 2 as. per lb. in all amounting to 9½ as. Under the proposals of the Commission, the

Non-Indian companies cannot repatriate profits nor pay dividends without making provision for clearing areas of replanting. The replanting programme practically transforms the Non-Indian companies into new concerns starting a new industry in this country. They cannot get in the future a 20% return in investment, nor a $13\frac{1}{2}\%$ dividend on shares nor a 11% managing agency commission in addition to other separate commissions. There is resistance also from the U.K. and the Indian consumer to pay a high price for tea. If these concerns continue they should adapt themselves to the new conditions of bearing a fair tax, and labour costs, and return of non-tea lands in their possession and will have to reduce their high costs and profits. If they close they should pay the replanting expenses to restore the bushes to their normal health. Government, being a sharer through taxes in the profits of the industry, should come to their rescue by starting a State-partnered corporation and bring under it such of those companies that requested their help. If they sold, they should sell to Government. The new conditions of fair taxes and increased labour costs have compelled a migration of some companies to East Africa, after selling their estates in India.

Land Sales.—Government has also been rightly feeling that the estates sold were not getting into right hands after the sale. Sale price too did not take note of the needs of replanting in these estates. Valuation of assets has been inflated and share capital too in similar proportion that Government should come to the assistance of the buyers by scrutinising such valuations. Government should, therefore, be empowered to permit sales in the future of all estates over 100 acres and the estates sold should be transferred to the following in order of priority.

(i) Where producers raised 30% of the capital needed and formed co-operative societies, Government should find the remaining 70% and be a partner in such societies.

(ii) Similar facilities should be granted to Public Ltd. Director-Controlled companies in which no one person held more than 5% of the shares.

(iii) Where one and two are not feasible, Government should buy the estates sold and hold them in a development corporation (mixed type) either newly formed for this purpose or in the proposed corporation for the merging of Non-Indian companies. The problem should be faced and sale of estates should not be one by one, by a process of attrition, happening as a result of changed circumstances (Paras 33 to 40).

(iv) If Non-Indian companies wanted assistance, a corporation may possibly be less irksome than controls over several points, and the consequent race between the managements in search of fresh holes for evasion and the Government staff in devising rules for plugging them. (para 42).

4. *The Indian Section.*—The Indian section of the industry comprised about 5,283 units below 100 acres holding 4.2% of total acreage, about 340 uneconomic units below 300 acres holding 8.1% of total acreage, and about 312 units over 300 acres comprising 22.8% of total acreage. 520 Non-Indian units (500 acres and over) held 59.5% of total acreage and 89 Non-Indian units (300-500 acres) held 4.6% of total acreage. Even as regards Indian estates over 300 acres, not all were situated in the best lands. They included uneconomic, under-capitalised, and low-yielding estates and holdings requiring individual treatment of a long-term character by planned schemes of rehabilitation (Para 43).

5. The Indian estates required classification as to how many required abandonment, resting for care and maintenance, long-term finance for replanting, factory and machinery, degrading as leaf suppliers, and temporary resumption. Uneconomic estates which could be made economic by merger or fresh addition of lands should be thus consolidated by voluntary action if possible and compulsion where necessary. Small holdings should equally be consolidated. Sub-division below the economic size should be prohibited. As the success of co-operative small holders' societies depended on a sufficiency of whole-time managers, and as estates between 100 and 300 acres will also need managers, priority should be given to proper recruitment which is more important than training, and training of 300 managers at the rate of one for every 300 acres (Paras. 44 to 52).

6. In view of the large closure of companies since 1952, a stricter scrutiny of resources and soundness of management of companies newly registered are necessary by the Tea Board and Company Law Administration.

7. *Research.*—As Tocklai cannot reach every producer, immediate steps should be taken to start as many research stations as are necessary. The Tocklai should be given every encouragement to expand its service. There should be interchange in the members of the executive committees of Tocklai and other stations with a view to achieve co-ordination (Para 53).

8. *Replanting reserve.*—The setting apart of a replanting reserve for the future should apply to all holders and there should be no exemption (para 54). The funds set apart need not be in the custody of the Tea Board. It will be enough if they are invested in approved banks and securities. The Tea Board might approve of withdrawals for the purpose of replanting (para 32).

9. *Long-term finance.*—The immediate long-term need of the Indian section is Rs. 14.6 crores for replanting and repair of machinery and on the basis of a phased programme for 5 years will need Rs. 3 crores per annum (Para 55).

10. As the State finance corporations cannot be saddled with the urgent responsibility of planning the rehabilitation of wasted and worn-out fixed assets in each estate, and distributing finance according to priorities, two separate mortgage corporations one for the North and one for the South should be started for this purpose (Para 56).

11. The Government of India should guarantee the loans. The law should provide that titles to lands were unambiguously vested in the mortgage corporations (Para 57).

12. *Current finance*.—Current finance should be distributed as far as possible in kind by integrating it with the proposed supply co-operatives (Para 59).

13. The government should give a directive to the State Bank to immediately provide full crop finance to every producer (Para 59).

14. The Reserve Bank should advise commercial banks to advance current credit on the security of crops and not on land properties and title deeds which should be available as security for long-term finance (Para 60).

15. *Abolition of Indian managing agencies*.—The Indian managing agencies should be abolished (Para 61).

16. *Sanctions for better husbandry*.—The Tea Board should have power to enforce standards of husbandry and improved practices of manuring, pest-control etc., as recommended by the Planning Commission in the following words in respect of other agricultural lands.

“The legislation should provide for such measures as warning, direction, supervision and in the last resort for assumption of management. Sanctions should be provided in the legislation for the fulfilment of certain obligation” (Paras 62-63).

17. *Buying agencies*.—A centralised buying agency is necessary for purchasing and distributing imported tea machinery similar to the raw cotton commission in the U. K. working under the Cotton Centralised Buying Act 1947 which has a monopoly of imports and sells it at a price “to further public interest in all respects” (Para 64).

18. *Transport*.—There should be an advisory committee in the Tea Board comprising its members and the directors of the joint steamer transport companies to discuss the various grievances under which the Indian section of the industry suffered. The principles underlying section 28 and section 41 of the Indian Railways Act should apply also to these companies (Para 65).

19. The co-operative type of organisation should be State partnered (Para 66).

20. *Wages*.—Small holdings should be exempted from the Minimum Wages Act (Para 67).

21. State Governments should not issue minimum wage notifications unless the majority of the employees and labour could not come to a decision and requested the Government to issue it (Para 68).

22. The annual guaranteed wage meant that the employer could not terminate an employee even when he was unable to continue his industry. It raised larger issues and should not apply only to one industry (Para 69).

23. *Industrial relations*.—One of the causes of strained industrial relations was the special structural character of the Tea industry which

was a high-cost high-profit structure and comprised an industrial and commercial sector of high costs in the midst of an agricultural sector of low wages. This aroused labour and staff to ceaselessly agitate for a share in the profits. A number of units which are uneconomic due to geographical conditions, want of necessary size, resources and adequate yields cannot afford to pay wages and supply amenities to labour. The geographical factors were peculiar to this industry and did not exist in most other industries. This was another cause of strained industrial relations (Para 70).

24. *Labour Welfare*.—(a) Medical relief should be part of the Employees' State Insurance Scheme.

(b) Maternity benefit and compensation under the Workmen's Compensation Act should be brought under the Employees' State Insurance Scheme.

(c) Government should contribute to the expenses of group hospitals (Para 71).

(d) Expenditure on housing should be such that rent for its use could be afforded by the workers and staff. Rent should be collected from the latter and the wages may be increased to this extent (Para 72).

(e) Economies could be sought by way of reducing public expenditure on school buildings. A cess should be collected for education from labour. The same may be added to wages. Parents whose children supplement their earnings should get an additional wage to compensate for the loss resulting from withdrawing their children of ages 12 to 14 from employment (Para 73).

(f) Labour should pay a rate for civic services as water supply, sanitation, lighting, etc. These same may be added to wages (Para 73A).

(g) The proposed welfare organisation should own all constructions and be responsible for welfare working in co-ordination with the State Employees' Insurance Corporation and State Governments (Para 74).

(h) Provident funds should form part of life insurance schemes (Para 75).

(i) The free feeding of children during the day should be taken due note of when fixing wages (Para 76).

(j) An all-inclusive wage should be the principle of the wage-structure in order to reduce the dependence of labour on employers for various civic amenities (Para 76).

(k) To drive home the civic responsibility to every citizen, the privilege of labour to pay for housing and civic services should be recognised and given effect to.

(l) Where employers provide amenities, they should be given a rebate by the proposed welfare organisation (Para 73).

24A. *Taxation*.—Local rates and cesses vary from State to State and should not be levied on estates which paid the welfare rate to the proposed welfare organisation (Para 76A).

Replanting costs should be treated as revenue expenditure (Para 76A).

The eventual object of taxation policy should be to eliminate the distinction between agricultural and non-agricultural income for purposes of taxation.

Revaluation.—Revaluation should be for very exceptional reasons. It should in no way affect the powers of income-tax officers to allow depreciation or levy income tax. The excess value should not be adjusted to share capital. Revaluation should be done by the Central Board of Revenue or Company Law Administration or Controller of Capital Issues.

25. *Results of restrictionism.*—The International Tea Agreement mainly of Non-Indian producer concentrations meant restriction of supplies, higher tea prices, improved profits to producers, absence of provision for replanting, failure to provide for growing Indian consumption, keeping in production the inefficient and the high-cost-producer, preventing competition by efficient low-cost producers, discouragement of consumption, encouragement of countries outside the agreement to expand production, and restriction of output sometimes leading to more costs and high price for Indian tea. (According to Planting and Commerce Annual Number 1954, p. 20).

“The experiment of controlling supply by voluntary cut in production adopted by North Indian gardens and their inability to increase production in response to demand in 1954 show up the limitations of regulative control.....On such evidence as 1954 has produced, the trade may consider it safe to buy at two or three shillings lower than at peak prices and producers may find it profitable to expand production at that price” (Paras 77 to 88).

26. *Extension policy.*—Existing areas with old bushes when replanted will expand production and thus meet the consumption demand. The target should be replanting of 20,000 acres every year for the next 15 years (Paras 89-90).

27. Permission for new extensions may have to be granted to (i) smaller units which cannot afford to lose its present production and replant in the uprooted area (ii) all units whose uprooted area may be exhausted and not good enough for replanting and (iii) un-economic units which can be made economic by addition of extensions. No extension should, however, be granted to those holding over an optimum size, say 800 to 1,000 acres (Para 91).

28. A thousand acre farm may be attached to each of the development and research stations and managed as a State farm (Para 92).

29. *International agreements.*—Future international agreements should consult consumer countries and also provide for standardising labour costs (Para 93).

30. Ceylon and India should agree on quantum of production and exports (Para 94).

31. *Consumer price.*—The following steps should be taken to bring down the consumer price :—

(i) Effective measures should be taken to reduce brokerage, warehousing, freight and marine insurance charges, and charges for export finance.

(ii) While the British and Scottish wholesale Co-operative Society influenced the consumer price in U. K. to some extent, one could not expect it to be effective so long as this society in India did not show any reduction in costs as compared to private companies in the management of its estates.

(iii) The producer-combine in India did exercise an influence on the U. K. consumer price by its combination with the U. K. buying concentrations. The growth of a free market in the U. K. may help to create conditions which will prevent price-rigging by producer combines.

(iv) Stopping of re-exports to Middle East countries from U. K., negotiations for lower import duties at Government level, and financial assistance to Indian buyers to expand in this market may help to bring down the price to the Middle East consumer.

(v) The widening of the Indian auction in Calcutta may prevent price-rigging in the U. K. and India and to this extent may create conditions for a fair price to the Indian consumer (Paras 95-98).

32. *A fair price to the producer.*—(i) As production structure was concentrated in a few hands and as the managing agency and high profits are inseparable from it, it should be left to this structure to decide voluntarily the costs, profits and commissions that could be reduced so that it might be able to meet the proposed additional costs. As regards the Indian section economies were possible (Paras 99-101).

(ii) By State partnered co-operative marketing societies, Indian producers might get additional strength in getting a fair price for their tea in the Calcutta auction (Para 102).

(iii) (a) Returns for the producer should be based on the following principles. What are fixed assets should be broadly defined so that hospitals, schools, and houses built for labour and staff, and which, in industries as Mines, are the property of a Government welfare organisation, and in certain States are maintained by State Governments, may be excluded from fixed assets. Otherwise share capital is increased upto their value and, in the absence of a limit over distribution of total profits, is paid a high dividend thereby entrenching on the proportion of profits to be set apart for reserves.

Secondly, the current value and annual value of fixed assets should be fixed. Profits after setting apart 25% to reserves and paying taxes should be distributed in the proportion of this annual value, the annual wages of labour, and the annual salaries of staff.

(b) In calculating, in the future, the annual value of fixed assets, such assets purchased from future reserves should be excluded.

(c) After paying taxes and setting apart for reserves, and before distributing the remainder, a minimum dividend not exceeding the interest rate on Government loans may be paid in years of profit.

(d) There can be no return on reserves as reserves belonged to the industry so long as it existed.

(e) Interest on reserves should be calculated as an expense and added to reserves (Para 103).

33. Profits after remunerating all interests in an industry belonged to the Government. So long as Government did not claim it, it might be divided between staff, labour, and the shareholders excluding managing agencies who have been already paid a commission out of profits. The profits due to labour and staff in the proportion of their annual contribution (wages and salaries) should be pooled and distributed to labour and staff according to their total earnings which should be related to the output of work. Such pooling should be for each region of approximately similar yields and costs.

A ceiling may be fixed for profit distribution in respect of superior employees. The cash amount distributed to subordinate employees and labour should not exceed their annual salaries and wages. Labour and employees may be paid 25% in cash as proposed by the profit-sharing committee. The balance of 75% shall be funded and invested in a trust to be formed. It may be distributed for specified purposes of a non-recurring character as education, marriage, disablement, purchase of a home or land, etc. The amount should be invested in appropriate Government loans and securities (Para 104).

34. To meet additional costs Government may help Non-Indian concerns in many ways. It may become a partner in a corporation along with them and contribute share capital for long-term needs. It may treat replanting charges as revenue expenditure. The non-recurring expenditure under the Plantation Labour Act may be reduced to the minimum. Government may waive its right to levy excess profit tax so long as dividends and managing agency commission are reasonable, and the excess profit is needed to improve the fixed assets. The U. K. Government may reduce its taxation to the level in India and help their concerns to restore back the aged tea bushes. It is for Non-Indian managing agency houses to choose between a low-cost—low-profit—low price structure and the existing high cost—high profit—high price structure. The available margins indicate that they cannot have the latter and yet exist. Indian companies should make the economies mentioned (Para 101). They have on the average adequate funds to meet the additional costs. All the companies should strive to make better tea. There is no inseparable connection between tea-growing and the managing agency structure.

“From the earliest times the local *Kyah* or ex-garden Mohrur bought land and planted out tea which he sold usually to the nearest European estate at a profit”.

Mechanisation will be more economical than the maintenance of a large labour force but then it cannot compete against the small holder who may be satisfied with a lower return than a paid labourer in a plantation. Every labour family may be trained for efficient plucking in the first instance and for even processes of cultivation where possible by entrusting each with a small plot. Or the existing system may continue with greater supervision. Wages should be geared to production. Incentive plans should be geared to extra effort. The urgency of appointing work and time study economists to make objective studies and a fearless application of the results thereof should be realised (Paras 105 and 106).

35. The Non-Indian managing agencies and their companies may be left to their good sense in reducing costs and distributing profits. But there are certain minimum conditions which any Government has a right to enforce in the interest of the industry. Replanting to clear past arrears in restoring old bushes cannot be delayed. Provision for future replanting is inherent in the wasting character of the tea bush. Expenditure due to labour amenities is unavoidable, so too the contribution to the cheap tea scheme in India. They must invest outside 25% of net profits before tax as specific reserves. They cannot hope too to raise consumer price by combinations in the future. The U. K. Government has awakened to the need for broadening competition among the buyers. And if the Commission's proposals are implemented, the Indian consumer price must fall. Will the Non-Indian managing agencies conform to the minimum and can they conform? (Para 107).

36. As different managements functioned under different types of structure, objectives, markets and manufacture, totals of costs, profits, and assets and liabilities of all companies will not convey any meaning (Para 108).

37. The limitation of the coverage of the Indian section did in no way affect the study of figures relating to Non-Indian companies. The best among the Indian companies have replied to a greater extent than smaller Indian companies (Para 109).

38. The loss in exchange earnings was much (Para 110).

39. Internal resources were inadequate in the Non-Indian sector but less so in the Indian sector (Para 111).

CONTENTS

CHAPTER I

Non-Indian Concentration in the Tea Industry

Para. No.		Page No.
1	Managing agencies	323
2	High costs of managing agencies	324
3	Concentration of production	324
4	Repatriation of profits	325
5	Comparatively high returns	325
6	But low profits	325
7	But greater profits distributed	326
8	Hence lower reserves	326
9	A capital of Rs. 65·60 crores needed for replanting old bushes	326
10	High costs of production	329
11	Stores purchase	330
11A	High price, high profit, high cost, and low production structure	331
12	Capital structure—fixed assets—share capital—share capital and reserves—work- ing funds—commission's report—other reports—conclusion	332
12A	Different pattern of growth in the Indian section	336
13	Direct consignments to the U. K. market.	337
14	Private sales and forward contracts	338
15	Buying concentrations	340
16	The U. K. wholesale market	340
17	U. K. market controlled by producer combines	342
18	Control of Calcutta auctions	342
19	Consumer resistance in the U. K.	343
20	Wanted co-operation	345
21	Re-exports	345
22	High price for low grade tea in India	346
23	Warehousing monopoly.	347
24	Broking concentration	347
25	Distribution concentration	347
26	Concentration in export finance	348
27	Concentration in internal finance	348
28	Insurance concentration	348
29	Shipping concentration	348
30	Control of production—source of all concentrations	349
31	Minimum regulation of Non-Indian companies	349
32	Tea Board to be free from administrative work for the estates	350

Para. No.	Page No.
32A Appraisal	350
33 Additional costs	352
34 Continuance and closure—both difficult problems	353
35 A pampered system	353
36 Its emigration from East to West and consequent land sales in India	354
37 A statutory percentage for reserves	355
38 State partnership in a corporation when requested by Non-Indian companies	358
39 Sale of estates	358
40 Priorities in distribution of permits for sale	361
41 Marketing	362
42 State partnership <i>vs.</i> control	363

CHAPTER II

Development of the Indian Section of the Industry

43 Economic and uneconomic units Indian and Non-Indian	364
44 Classification of uneconomic units—evidence analysed	366
45 Merger of units	368
46 What is an uneconomic unit ?	369
47 Evidence not properly assessed	370
48 Methods of consolidation	371
49 Consolidation of small holdings	371
50 Large size <i>vs.</i> co-operative	372
51 Prevention of subdivision	372
51A Stricter registration of companies	372
52 Urgency of personnel	372
53 Research and Advisory Services	373
54 Depreciation for tea bushes	373

Finance

55 Long term finance	374
56 Two independent mortgage corporations	374
57 Government guarantee of loans	375
58 Integration of export and crop finance	375
59 Integration of supplies and finance	376
60 Security for loans	376

Supplies and services

The Indian managing agencies :—

61 (i) Production costs	376
61 (ii) High commissions	377
61 (iii) Excess expenditure on stores	377

Para. No.		Page No.
61	(iv) Official reports	378
61	(v) Other evidence	378
61	(vi) Conclusion	379
62	Manures	380
63	State regulation of standards of husbandry	381
64	Centralised buying of imported machinery and stores	381
65	Transport	382
66	The co-operative type of organisation	383

CHAPTER III

Labour and taxation

67	Exemptions of small holdings from the Minimum Wages Act	384
68	Priority for negotiation of employers and employees before state intervention	384
69	The annual guaranteed wage	385
70	Causes for strained relations in plantation industries	385
71	Integration of medical relief with general insurance	386
72	Housing	388
73	Education	389
73A	Other amenities	390
74	Principles of welfare	390
75	Pooling of risks in provident funds	391
76	A single wage and free amenities	391
76A	Taxation	391
76B	Plantation Labour Act unworkable	392

CHAPTER IV

Expansion and Development

77	A producer combination	394
78	Agreement forgot about replanting needs	394
79	The consequence	394
80	Further restrictions	395
81	Results of restrictionism	396
82	Growth of production	396
83	Reduction in world consumption	396
84	Government's policy	397
85	Reaction on Indian consumption	397
86	Struggle of Indian consumption	397
87	An appraisal	399
88	Restriction vs. demand expansion	399
89	Estimates of Indian demand and production	400

Para No.		Page No.
90	Problems of increased production	401
91	Permission for new extensions	402
92	Government plantations	402
93	Principles of the International Tea Agreement	402
94	Agreement between India and Ceylon	403

CHAPTER V

A fair price for the consumer and the producer

95	A fair price for the consumer	404
96	Producer—controlled price and U. K. consumer	405
97	The Middle East Consumer	406
98	The Indian Consumer	406
99	A fair price for the producer	407
100	Additional costs	408
101	Possible economies	408
102	Indian producer disadvantaged	408
103	Return for investment	409

CHAPTER VI

104	Profit-sharing	412
-----	--------------------------	-----

CHAPTER VII

The future

105	How to meet additional costs	414
106	The work organisation	418
107	The Non-Indian managing agencies	418
108	Caution	419
109	Coverage and comparison of companies	420
110	Loss of foreign exchange earnings	421
111	Internal resources not commensurate with needs particularly in the Non-Indian sector	421

TABLES

TABLE No.		Page No.
1.	Proportion of profits to managing agencies	324
2.	Profits after tax per lb. in rupees	326
3.	Distributed profit as percentage of profit after taxation	326
4.	Estimate of cost of replanting	327
5.	Available working funds	328
6.	Total costs of production in rupees per 100 lbs.	329
7.	Depreciation reserves	332
7(A)	1933-1953. Price per lb., profit per lb., cost per lb. production per acre	331

Table No.	Page No.
8 Increase in fixed assets	333
9 Growth of fixed assets	333
10 Growth of share capital	333
11 Growth in reserves and growth of net worth	334
12 Percentage of reserves to total liabilities as compared to percentage of profits to gross sale.	336
13 Forward contracts	339
14 Difference between Calcutta and London auction price during the crisis .	341
15 Fall in Calcutta Sales	342
16 Fall in exports	342
17 Re-exports from U. K.	346
18 Difference between export auction and internal auction price Calcutta .	346
19 Additional costs per lb.	352
20 Retained profit as percentage of profit before and after taxation. . . .	356
21 Table showing acreage under tea in India classified as Indian and Non-Indian	364
22 Table showing the high commission paid to Indian managing agencies .	377
23 Table showing stores purchase by Indian managing agencies	377
24 Table showing amount spent on manures	386
25 Production increase 1930-1949	396
26 Increase in consumption	397
27 Estimate of demand and production	400
28 Cost variations of Sterling and Indian Public Ltd. Rs. per 100 lbs. . . .	407
29 a, b, and c 3 tables—margin available to meet additional costs. . . .	414

CHAPTER I

NON-INDIAN CONCENTRATION IN THE TEA INDUSTRY

Managing agency combines

1. Production of tea was in the hands of a few managing agency houses. 13 houses held more than three fourths of the production.

The following extract from Tea and Rubber Mail, October 6, 1955, page 517 quoting an article from the Financial Times, London written by a former member of managing agents describes the history and growth of managing agencies.

“The trend generally was for the agency house in Calcutta which acquired tea interests to form subsequently its opposite number in London. It was these London houses that became appointed secretaries of the Sterling companies formed in London. The Rupee companies in the agency retained their administration from Calcutta but were able to call on their opposite number in London when business at that end was more advantageous. There are many of the most notable London firms and companies operating today who came into being in this way first established in Calcutta and subsequently in London.”

After the slump of 1865-66 seeing the growth of derelict concerns the managing agency houses bought them outright and formed them into registered companies. This, however, is against the ordinary conception that Sterling companies formed their agencies in Calcutta. (See chapter III, para. 12 of the Commission's report).

“They covered the risk as far as seemed possible at the time by the terms of remuneration for their services as financiers and administrators. By present day standards the terms were harsh but beggars cannot be choosers. In the process of time the risk diminished but the agency terms remained for many years unaltered. It was on these terms that the latter day opponents of the system based their criticisms... Besides the agents drew commission on gross produce of tea, on stores, and labourers recruited. Against these there were the services which the agents provided..... Tea is in some cases only a minor department of their varied interests such as supply of machinery, stores and materials for tea gardens. They could balance any loss on tea against profits from other interests. It was their gamble that at no period would all their interests experience a slump at the same time”.

The above quotation indicated the structure of ownership of the Tea industry in this country. The managing agency houses were the real thing and companies were in fact their branches. This is the first fact to be noted. The unconscionable terms enforced on weak companies have stayed on even when risks are less today. They fixed

the price to companies for their own manufactures supplied to them. Supply and sales commissions paid by Sterling companies were in no way affected by the Indian Companies Act. The agency houses might raise or increase the profits of tea companies as they had other companies and establishments under them.

High costs

2. The reporting managing agency houses of Sterling and Non-Indian companies (cultivating an acreage of 3.25 lakhs) according to figures collected by the Commission took a remuneration in addition to office allowance of Rs. 152.42 lakhs in 1953 which worked to 8.4% of gross profits before payment of commission to staff and interest charges. This is the average percentage but it varied between 8 and 12.55 (Indian Finance figures, August 6, 1955). According to Taxation Enquiry report it rose from 9.09% in 1946 to 11.74% and 15.90% in 1948 and 1950. The average for 1946-51 was 12%. In 1951 it was 13.7%. According to the article in the Reserve Bank bulletin, July 1955, it was as 13.87% for 3 years ending June 1952. Of these years two were years of low profit and loss. On the basis of the Commission's figures for 1953, the total managing agency remuneration for about 4.95 lakhs of acres would amount to Rs. 2.32 crores. This related mostly to units over 500 acres. The high percentage of managing agency remuneration in Sterling and companies under Non-Indian managing agencies will be evident if compared to dividend distributed and retained profits.

TABLE I.—*Proportion of managing agency commission to profits*

	1950	1953	1954
Managing agency commission	134.15 (16.4%)	172.12 (14.3%)	121.7 (11.5%)
Dividends	269.6 (32.6%)	271.6 (26.6%)	371 (34.5%)
Retained profits	290.3 (11.8%)	62.69 (59.15%)	585.5 (54%)

1953 and 1954 were years of exceptional profits. Generally managing agency remuneration formed half of dividends and they both amounted to about 3/5 of these profits, leaving 2/5 as retained profits. The high cost of managing agencies was the second fact to be noted.

Concentration of production.

3. The area controlled by these few foreign managing agency houses and their companies was about 4.95 lakhs of acres in about 576 units out of a total of 5.84 lakhs of acres of gardens of over 500 acres. The Indian section comprised 90 units of 89,000 acres under

this group. 13 managing agency houses produced 371 ml. lbs. of tea out of a North Indian total tea production of 487 ml. lbs. Out of these thirteen, 4 held a production of 36.2% and 7 held a production of 52% of the total North Indian production. An overwhelming area and quantum of production was in the hands of Sterling companies and Non-Indian Rupee companies. This concentration is the third fact to be noted.

Repatriation of profits.

4. The capital invested by foreign concerns in tea amounted to Rs. 63.87 crores (direct investment) and Rs. 4.3 crores (equity capital). On the former the profit was 12.83 crores or 20.1% and on the latter 0.66 crores or 12.67% (investment income—Reserve Bank bulletin January 1956). The fact that a profit equal to investment was made every five years and repatriated should be taken note of. This was in addition to the remuneration of managing agencies. Figures collected by the Commission also showed the concentration of these profits in 64 companies under 10 managing agencies. Out of a total profit of Rs. 12.83 crores repatriated, these agency companies made a profit of Rs. 4.89 crores and repatriated Rs. 3.24 crores in 1953. The high profits repatriated is the fourth fact to be noted.

Comparatively high returns.

5. It should be noted that over a series of years according to the Taxation Enquiry Commission report Tea topped all the 17 industries excluding Matches in the matter of net profits after tax in relation to net worth between 1946-1951 (P. 123). Gross profit was 18.4 in 1950 as against 8.8% for all industries and it topped all industries. (P. 122). Commenting on the high profits 1950-52 (which included a crisis year of loss) the article on company finances in the Reserve Bank bulletin, July 1955, included tea as one of the group having 'a high margin of profit on sales.' According to the figures collected by the Commission gross profit in proportion to gross sale was 27.24 in 1953 and 47.05 in 1954 for Sterling companies. For other companies under Non-Indian managing agencies it ranged between 34 and 35% in 1953 and 46.6 and 57.1 in 1954. As related to paid-up capital the profit percentage of the Non-Indian companies varied between 22.4 and 27.9 in 1953 and 29 to 42 in 1954. Tea, therefore, gave the highest returns among most industries in India.

But low profits.

6. One fact to be noted about the profits is that Sterling companies always made a lesser profit than Public Limited Director-controlled Indian Rupee companies because of higher costs of production. Sterling companies realised in 1953 a high price of Rs. 230 per 100 lbs. but their gross profit was only 60.25 rupees. The Public Ltd., realised a price of Rs. 160 but their gross profit was Rs. 66.2 per 100 lbs. Sterling companies had further lower profits because of the double taxation they had to meet. The high cost structure gave them comparatively less profits.

TABLE 2.—*Profits after tax per lb. in rupees.*

	1950	1953	1954
Sterling	0 2 10	0 4 6	0 11 2
Non-Indian companies	0 3 10	0 7 0	0 13 0
Indian companies under Indian Managing Agencies	0 2 10	0 8 0	1 2 10
Public Limited—Director-controlled Indian companies	0 5 0	0 8 0	1 2 6

But greater profits distributed.

7. The profits were lower in the Non-Indian companies under Non-Indian managing agency houses but they distributed more as dividends.

TABLE 3.—*Distributed profit as percentage of profit after tax.*

	1950	1953	1954
Sterling	42.2	27.5	35.3
Non-Indian under Non-Indian managing agencies.	67.1	29.0	46.1
Indian under Indian managing agencies	28.1	7.7	9.1
Public Limited Indian Director-controlled	32.8	18.7	13.9

The report of the Commission says that the percentage of companies which paid a dividend of 20 and 39% was greater in the Sterling and Rupee Non-Indian groups than the Indian group.

Hence lower reserves.

8. Retained profits became therefore less than in Indian companies. Another reason for low reserves was the payment of dividend in years of loss out of reserves. This practice has been referred to in the report of the Commission as undesirable. The consequence was that the reserves of Non-Indian companies has not increased in proportion to their profits, inspite of their larger years of continuance. The rate of growth of reserves is far less than in Indian Companies. (*vide* Table under Capital Structure).

A capital of Rs. 65.60 crores needed for replanting old bushes repatriated and otherwise spent.

9. While reserves were lower, the liabilities they had to discharge for the maintenance of the industry were higher than for Indian companies. Tea is a wasting asset. A proper conservation of national assets at normal level of efficiency and worth has to be enforced on

every unit in this industry. Any unit that fails to do so is squandering natural resources. Any payment made in terms of profits and dividends without making provision for continued conservation is tantamount to taking capital out of the country. From the national point of view, a strict control is necessary that a land with tea bushes is not left vacant without replanting. Tea-growing is a branch of forestry and non-replacement of trees when the latter became aged results in soil erosion and its bad consequences. A study of the age group of plants indicate the following :—

TABLE 4.—*Estimate of cost of replanting pre-1900 teas.*

	Total acreage according to our estimate	Acreage planted pre-1900	Percen- tage of col. 2 to 1	Cost of replant- ing at Rs. 2,500 per acre
	1	2	3	4
Sterling	4,00,000	1,17,600	(29.4)	29.40 crores.
Non-Indian	1,12,000	41,596	(37.14)	10.40 crores.
Indian	2,00,000	27,760	(13.88)	6.9 crores.

Tea bushes replanted in 1900-10.

	Total acreage according to our estimate	Acreage planted 1900-10	Cost of replant- ing at Rs. 2,500 per acre
Sterling	4,00,000	59,200 (14.8)	14.80 crores.
Non-Indian	1,12,000	9,441 (8.43)	2.36 crores.
Indian	2,00,000	16,779 (8.39)	4.19 crores.

Tea bushes planted in 1910-20

	Total acreage according to our estimate	Acreage planted 1910-20	Cost of replant- ing at Rs. 2,500 per acre
Sterling	4,00,000	68,800 (17.20)	17.20 crores.
Non-Indian	1,12,000	27,720 (24.84)	6.93 crores.
Indian	2,00,000	63,079 (31.54)	15.77 crores.

Tea bushes planted in 1920-30

	Total acreage according to our estimate	Acreage planted 1920-30	Cost of replanting at Rs. 2,500 per acre
Sterling	1,000,000	58,100 (14.60)	14.60 crores.
Non-Indian	1,12,000	19,667 (17.56)	4.92 crores.
Indian	2,00,000	61,179 (30.59)	15.3 crores.

Note.—The area of Indian estates over 300 acres is 1.80 lakhs of acres. Out of 61,000 acres between 100 and 300 acres, only 20,000 is added as in the Indian section there are many uneconomic estates which cannot be considered as proper units which can borrow and replant. Also as Indian reported coverage is small, i.e., 62,700 acres out of 2.44 lakhs of acres in estates over 100 acres and as the application of this coverage to the whole extent is bound to inflate the total costs of replanting, an extent of 2 lakhs instead of 2.44 lakhs is taken as the total acreage in the Indian section for calculating costs of replanting.

The area of land containing bushes of different ages has been estimated in the proportion of the reported acreages.

The following was the reported acreage for which the age of bushes was available.

	Reported acreage in acres	Percentage of pre-1900 bushes	Percentage of pre-1910 bushes
Sterling	2.717 lakhs	29.4	
Non-Indian	0.926 lakhs	37.14	
Indian	0.627 lakhs	13.88	

These figures showed that Non-Indian companies would need for replanting the bushes planted til 1910 a sum of Rs. 56.96 crores.

This sum should be spent for pre-1900 bushes immediately and for pre-1900-10 bushes within 1960-65.

The working funds available to meet these costs are as follows :—

TABLE 5.—*Available working funds.*

	Available per acre in rupees for reporting companies	Total acres in lakhs	Total available in crores of rupees
Sterling companies,*	706.13	4	28.24
Non-Indian companies	605	1.12	6.77
Indian companies under managing agencies and Director-controlled.	947.4	2	18.94

By working funds are meant the sum of current assets minus current liabilities. A sum of Rs. 21·95 crores more would be required even if all the working funds were invested in replanting. There was also a commitment to pay bonus in the ratio of profits of 1954 for 1955 and 1956. This would reduce the working funds to some extent. And this estimate did not take into account the further sum that would be required for replanting old bushes planted between 1910 and 1930 which would amount to Rs. 43·65 crores. This will have to come from future profits on which many more commitments as a replanting fund for the existing young plants, amenities for labour, subsidy for sale of cheap tea in India, etc., have been proposed. The total capital that has been repatriated at the sacrifice of the tea bushes without putting by necessary reserves for replanting and spent on less essential purposes can be, therefore, estimated as 21·95 crores plus Rs. 43·65 crores = Rs. 65·60 crores. Non-Indian companies are even short of Rs. 21·95 crores for replanting pre-1910 bushes. This will have to be borrowed within the coming ten years and the interest charge will be an additional charge on future profits.

The seriousness of the situation has been put in the following words by Mr. E. H. Stanes at an annual meeting on 28-8-1954. It has been pointed out by the U. K. Accountancy professional societies too. (Tea Trade and Industry—September 1954—page 455).

“I understand a joint meeting of the various U. K. Accountancy professional societies has advised its members who are auditors of planting companies to draw specific attention in their reports on company balance sheets to cases where provision has not been made for rehabilitation of estates and to point out that to this extent dividends declared may represent a partial return of capital.”

Age-long neglect in putting by funds for depreciation of the plant has created a grave crisis in this industry. The problem is acute in the estates managed by these Non-Indian managing agency combines.

High cost of production

10. While this is the condition of the primary asset of the tea bush, the Non-Indian managing agencies incurred more costs in production of tea, as the following table would show.

TABLE 6.—Total cost of production in rupees per 100 lbs.

	1950	1951	1952	1953
Indian companies and Public Ltd. .	108-109	112-124	112-127	104-111
Sterling and Non-Indian companies .	125-139	131-147	146-152	141-142

If the areas of different managements who reported were grouped according to costs, 50% of the acreage of Sterling companies and 21·3% of the acreage of Non-Indian companies fell under the cost

group of Rs. 161 and Rs. 200 and over per 100 lbs. In this group there was no area of Public Limited. The area of Indian companies was only 6.9%.

Taking the next group of costs Rs. 141 to Rs. 161 per 100 lbs., 37.1% of areas of companies under Non-Indian managing agencies and 23.7% of partly Non-Indian companies under Indian managing agencies fell under this group. But the area of Public Limited under this group was only 1.6% and of Indian companies 3.8%.

Most of the area of companies under Indian managing agencies fell in the cost group of Rs. 121 to Rs. 140 per 100 lbs.

Most of the area of Indian companies under Public Limited (Director-controlled) fell in the cost group of Rs. 101 to Rs. 120.

It should also be noted that more than 64.9% of the planted acreage belonged to Sterling and Non-Indian companies. The excessive cost structure of Non-Indian companies is clear from the fact that 0.93 rupee per lb. for Public Limited and Rs. 1.7 per lb. for Sterling were the total costs in 1953. Comparing only the costs incurred up to the port of transport within India, the former incurred a cost of Rs. 1.2 and the latter Rs. 1.14 as. per lb. The Commission has referred to the various items of higher costs of Non-Indian companies particularly under freight and transport, selling expenses, salaries to estate staff, upkeep, and commission to managing agencies. At the same time Sterling companies put less under depreciation than Indian companies in rupees per 100 lbs. (*vide* Table in the section on Capital Structure).

Stores purchase.

11. One of the important costs which were excessive in the foreign managing agency companies was the cost of stores. The figures in the official team report showed the increase in purchase of stores in 9 estates between 1950-52 which were crisis years. The Taxation Enquiry Commission figures showed an increase in stores in certain Rupee companies from Rs. 37.8 lakhs in 1946 to Rs. 96 lakhs in 1951 *i.e.*, an increase of 154% over their value in 1946. The article on company finances in the Reserve Bank bulletin, July 1955 showed that the increase in stores between 1950-53 including the crisis years of 1951-52 and 1952-53 was Rs. 55 lakhs for certain Rupee companies. A mere price increase of stores during these years could not explain this significant difference. According to the Commission's figures, while Sterling companies spent in 1950 and 1953 Rs. 2.24 and Rs. 2.85 per 100 lbs., Public Ltd., spent between Rs. 1.68 and Rs. 1.84 per 100 lbs. One of the Sterling companies (Singlo) referred in its latest report to directors:—

'Pleased to record a further satisfactory reduction in the sums locked up in stores and that a special provision has been made for deterioration and redundancy.' The Commission has also noted the wasteful expenditure on stores. It was represented that as managing

agency houses were in Calcutta, they procured stores only at their headquarters, thereby giving to local manufacturers no scope for making supplies, and also increasing the costs to the companies.

Further "when there were drastic reductions in import some of the houses are reported to have deemed it expedient to defer the procurement of materials, pending the announcement of the licensing policy for the next period rather than lifting the same from internal sources. It was this obstinate home-resistance that induced a number of indigenous implement producers of a consistent standard to entrust their sole distribution with the Tea Garden Stores Supply Department of a number of agency houses with the result that they are having a brisk sale." (Extract from an article on Garden tools industry's problems—Amrit Bazar Patrika, October 1954).

High-price, high-profit, high-cost and low-production structure :

11-A The following figures indicated the rise in price, cost, profits and production for Rupee companies. (Source Siddons). See Annexure to the report of the Commission.

TABLE 7-A— *Price per lb., profit per lb., cost per lb. and production per acre*

Year	Assam for 48 to 51 companies				Proportion of increase or decrease 1933 taken as 100			
	Price per lb. As.	Profit per lb. As.	Cost per lb. As.	Pro- duction per acre (mds.)	Price per lb.	Profit per lb.	Cost per lb.	Pro- duction per acre
1933	9·87	2·76	7·11	6·5	100	100	100	100
1938	9·35	1·80	7·55	7·6	94·83	65·22	106·19	117
1943	13·04	2·53	10·51	8·9	132·12	91·66	147·82	137
1948	22·04	2·72	19·32	10·8	223·30	98·55	271·73	166
1953	32·46	6·32	26·14	11·3	328·88	228·99	367·65	174

(Source : Siddons)

These figures showed smallest increase in production, higher increase in price, higher costs, and a phenomenal increase in profits between 1948-53 thereby indicating the high-price, high-cost, and the high-profit structure.

In the Dooars the increase for 33 companies was the following :—

Year	Price per lb.	Profit per lb.	Cost per lb.	Production
1933	100	100	100	100
1948	154·40	96·50	162·91	182
1953	196·25	291·96	173·21	182

Capital structure.

12. *i. Fixed assets.* Assets did not indicate proper proportion among its several components. Lands showed a lower percentage than normal and buildings a higher percentage of total assets. (*Vide* footnote of the Commission's report (Ch. IV) comparing the proportions of fixed assets). According to the figures in Taxation Enquiry Commission report the following was the percentage of increase of assets in 1951 over 1946 for Rupee companies.

Land	Buildings	Plant and machinery	Others	Total
18	205	154	50	72

The increase in land assets is negligible. The larger investment in building is due to employers concentrating on the building programmes enjoined by the Plantation Labour Act in preference to more essential items.

ii. Even this increase in fixed assets was partly due to revaluation. 'Revaluation has accounted for nearly a fourth of the increase in all estates and about 32% of the increase in Sterling companies.' (Commission's report).

iii. Even as regards this revaluation, the auditors declare in their audit certificates 'returns received from and certified by company's agents in India have not been audited.' (Commission's report).

iv Revaluation could not be said to have valued the bushes according to their age.

v. At the same time, depreciation amount set apart per 100 lbs. in rupees by Sterling companies was generally less than Indian companies and Public Ltd.

TABLE 7. *Depreciation reserves*

	1950	1951	1952	1953
Sterling	1.52	1.99	1.68	3.66
Indian	2.85	2.87	3.66	3.31
Director-controlled Indian Public Limited .	2.85	3.16	4.43	3.83

vi. According to Taxation Enquiry Commission report Vol. I (see pages 269 and 275) the increase in fixed assets Rupee companies between 1946 and 1951 was 44.2% while it was 67% for all industries.

TABLE 8.—*Increase in fixed assets*

Tea (Lakhs of Rs.)			All industries (Lakhs of rupees)		
1946	Increase 1951	Per cent	1946	1951	Per cent
3,90.5	1,73.0	44.2	1,28,94.3	86,35	67.2

vii. The following was the growth of fixed assets, management-wise according to the Commission's figures.

TABLE 9.—*Growth of fixed assets.*

	Sterling	Non-Indian	Indian	Indian Public Limited
Percentage growth between 1939-53	30.3	56	80.8	92.7
Out of which percentage contributed by re-valuation.	32	..	..	44
Fixed assets 1939 per acre—in rupees	648.7	617.1	612.8	560.7
Fixed assets 1953 per acre—in rupees	866.4	927.9	1,204.3	1,061.3
Percentage increase	34	50	97	90
Floating assets 1939 per acre—in rupees	512.4	497.3	177.4	280.8
Floating assets 1953 per acre—in rupees	1,532.9	1,235.2	1,723.7	1,277.3
Percentage increase	200	203	874	356

Despite revaluation of assets based on management's own certificate of expenses which were unaudited, with no scientific valuation of bushes according to their ages, with depreciation reserves being less, the growth of assets has been poor in Sterling and Non-Indian companies as compared to Indian and Public Limited. This is inevitable in concerns of a high-cost structure having less profits than Indian concerns. As production was restricted, fixed assets naturally would not be increased.

viii. The same position also prevails in respect of floating assets. The report of the Commission says that 'not only under fixed assets but also under floating assets Indian Companies showed a substantially greater increase than Non-Indian and Sterling Companies.'

TABLE 10.—*Growth of share Capital*ix. *Share Capital.*

	1939 Crores of Rs.	Increase excluding bonus and change in face value 1953 Crores of Rs.	Percentage 2011 in 1953
Sterling	19.01	.35	1.7
Non-Indian under Non-Indian managing agencies	1.32	Nil.	Nil.
Partly Indian under Non-Indian managing agencies	2.15	.02	1
Indian under managing agencies	0.52	.12	23
Indian Public Limited Director controlled	0.92	.06	7

There has been little increase under share capital in Sterling companies while the Indian showed an increase between 7 and 23%. The Commission's remark that the increase of share capital is not very significant could apply only to Indian companies. The Sterling and Non-Indian companies on the other hand hardly thought of increasing their share capital. Even this sum of share capital of Sterling companies did not reflect the real capital. According to the Commission "a study of the paid-up capital of 14 Sterling companies showed that in 1954, 14·43 lakhs of £ sterling was the paid-up capital and 8·3 lakhs £ was the sum of capitalised reserves." The capitalised reserves was an adjustment of revalued fixed assets. Commenting on this position the Commission said "when reserves are created by revaluing fixed assets and transferring the increased valuation as capital reserves and these reserves are then utilised for augmenting the share capital, there seems to be little relation to actual investment."

TABLE 11.—*Growth in reserves*

X.

	Sterling	Non-Indian	Indian	Public Limited
Reserves including taxation reserves per lb. in rupees 1939.	0·53	0·52	·22	·31
Increase in reserves per lb. including taxation reserves between 1939 and 1953.	0·41	0·31	1·11	0·87
Percentage increase	80	60	500	280
Reserves excluding taxation reserves per lb. in rupees 1939	0·49	0·55	0·22	0·30
Increase in reserves excluding taxation reserves per lb. in rupees 1953.	0·27	0·30	0·79	0·6
Percentage increase	55	55	360	200
Percentage of reserves to total assets 1939 .	26	36	35	34
Percentage of reserves to total assets 1953 .	34	34 to 37	38 to 46	46
Percentage of reserves excluding taxation reserves to total assets 1939.	25	36	21 to 34	34
Percentage of reserves excluding taxation reserves to total assets 1953.	27·08	33	35	35
Percentage of share capital and reserves to total assets 1939.	87	86 to 91	80	78
Percentage of share capital and reserves to total assets 1953.	65	68 to 72	81	82
Percentage of share capital and reserves excluding taxation reserves 1939.	85·63	90·62 and 86·99	80 to 90	76
Percentage of share capital and reserves excluding taxation reserves 1953.	58·38	65·64 and 67·93	67 to 70	71

The above table showed that the increase in reserves excluding taxation reserves was more than fourfold in Public Ltd. as compared to Sterling and more than sixfold in Indian companies as compared to Sterling between 1939 and 1953. On the basis of a yield of 900 lbs. per acre, the *increase* in 1953 over 1939 in Sterling companies was Rs. 243 per acre while in the Indian it was Rs. 711 per acre and Rs. 540 in the Public Ltd. Looking at the percentage for reserves in relation to total assets either including or excluding taxation reserves, either in 1939 or 1953, all companies showed a noticeably greater percentage of reserves to total assets than Sterling companies.

Share capital and Reserves

xi. As reserves are often transferred to share capital as bonus shares and as they included adjusted figures by revaluing fixed assets, the proportion of the total of both to total assets may give a more correct proportion.

The Public Ltd., Director-controlled and Indian companies under managing agencies showed a rise in the percentage of net worth to total assets between 1939 and 1953 while in the case of Sterling companies the percentage fell by 22% and in the case of Non-Indian companies the percentage fell by 14 to 23%.

Investment of reserves in fixed assets

xii. If we were to analyse what portion of reserves has gone into fixed assets between 1939 and 1953 per acre, sterling has invested Rs. 117, Non-Indian companies Rs. 103 to Rs. 332, Indian companies Rs. 175 to Rs. 242, and Indian Public Limited Director-controlled companies Rs. 219. The total for all companies amounted to Rs. 140 per acre, Sterling companies have, therefore, invested in fixed assets out of reserves the least per acre.

Working funds

Working funds have grown between 1939 and 1953 phenomenally from Rs. 29 per acre to Rs. 1,176 in Indian companies and from Rs. 77 in Public Limited to Rs. 855 while in the case of Sterling companies it has grown from Rs. 366 to Rs. 706 and in one group of Non-Indian companies from Rs. 262 to Rs. 712.

Commission's report

Commenting on capital formation the Commission report said "the shareholders' equity is stronger in Indian than Non-Indian concerns -- growth in resources has not been commensurate with the needs of the industry in respect of maintaining the fixed assets in a normal condition. A limitation of dividends by half would itself enable most companies to increase their internal resources by about 25%."

Other reports

The figures in the Taxation Enquiry Commission report also showed the insignificant growth of reserves. The percentage of reserves other than taxation reserves to total liabilities was 26% in 1946 and 27% in 1951.

The article on Company Finances in Reserve Bank bulletin showed that in 1950 as compared to other industries 105 Rupee-companies in Tea did not invest significantly in reserves particularly when the percentage of profit to gross sale was the highest in Tea. The following Table is extracted from the figures in the article.

TABLE 12.—*Percentage of reserves to total liabilities as compared to percentage of profits to gross sales*

	Percentage of reserves to total liabilities 1950	Percentage of profit to gross sale 1950-52
Tea	25	17.9
Sugar	18	10
Cotton Textiles	25	6.8
ute	26	6.5
Coal	17	8.5
Steel and iron	23	16.5

Conclusion : From whatever point looked at as between 1939 and 1953, growth of share capital, reserves, fixed assets, floating assets, working funds, investments of reserves in fixed assets, proportion of expenditure of different items of fixed assets, the rate of growth of Non-Indian companies was the least satisfactory. With the same old share capital and without putting much into reserves and without keeping the fixed assets in sound condition, Non-Indian companies have devoted more attention to restriction of production and the achievement of the highest price from the consumer than to the conservation of the fixed assets essential for the life of the industry.

Different pattern of growth in the Indian section.

12-A. It might be asked why the policy of restrictionism did not affect the Indian sector in the growth of internal resources, distribution of profits, and the building of fixed assets. Firstly, it did not join in voluntary restriction with as much vigour and discipline as the major sector. The usual complaint is that it increased production and created trouble by not co-operating in making restricted supplies. Its interest in exports is only about 10% of the total export. Hence it need not wholly identify itself with restrictionist schemes to sell its tea. About two-thirds of its production which was about a fourth of total production was sold in India while only about a fourth of Non-Indian production was sold within the country. The high price for tea obtained on the basis of high costs of the major sector also partly flowed to them. They did not fritter it away in incurring high costs nor in excessively distributing them. The difference in productive capacity and internal resources was a reflex of the two systems of organisation, one catering to a western market by an international combine acting with a buyers' concentration in the U. K., limiting production, keeping prices to the maximum, incurring high costs, and distributing high profits, and the other normally working like other Indian private

industries and developing its fixed assets and reserves, investing in more shares, incurring less costs and being satisfied with a lower price and a lower return particularly as it has to cater to a 'poor relation' whose purchasing power is low.

Direct consignment to the U. K. market.

13. Let us now examine how the produced tea is marketed. In 1954, 53% of total exported tea was sent by direct consignment and forward contract. 47% alone came to Indian auctions for export. The best quality tea was sent by direct consignment. Valuation of tea directly consigned was in the hands of producing companies and the customs officer and the Reserve Bank had to check whether it tallied with the actual realisations in the U.K. market. Loopholes were many for malpractices and checking could not discover them. The administrative costs for check-up of invoices and realisations for 53% of exported tea fell on the Government. This was a concessional service to direct consignors which was not necessary for those who sold at Calcutta auctions. The evidence on this subject is worth quoting.

- i. One of the complaints of the oversears buyers is that the best Assam tea invariably goes to the London market. Ireland prefers buying tippy tea from Calcutta rather than from London. For all these considerations, it is suggested that there should be a regulation compelling every tea estate to sell 25% of its tea in India. Having regard to the fact that atleast 10% of the produce is dust, this restriction would not weigh unnecessarily and it is hoped that the producers of best tea would sell a portion of their complete invoices within the above quota, roughly the every 7th invoice in India rather than sell only the residual grades or low types of grades in the markets of India.

(Mr. B. C. Ghose, Vice Chairman, Tea Board).

- ii. It might be considered that the Indian tea trade as distinct from the industry is adversely affected to a certain extent by reason of the fact that traders in London benefit from the sale of Indian tea in London and not in India and possibly certain amount of foreign exchange may be lost by re-export.

(Matheson & Co. Ltd.)

- iii. The attention of the Indian Tea Board was called to the unusually small offerings of suitable Irish type in the Calcutta auctions during the season 1953-54 due to an abnormally large proportion of the crop having been shipped direct from the gardens to London.

(Tea Council of Ireland—Report 8-3-55).

- iv. Since the last two years, certain tea agency houses have been diverting the bulk of the production of the gardens under their management direct to the U. K. at prices lower than

those prevailing at the Calcutta auctions. The finer quality leaf was in turn resold to continental markets from whence the tea was re-shipped to Iran, depriving India of valuable foreign exchange. London buyers enjoyed certain facilities in the matter of prompt payment extending from a month to 3 months at the discretion of the selling broker there is comparison to the 14 days allowed to buyers at the Calcutta auctions. Some London houses went a step further by providing credit facilities to their continental buyers. The offerings at the Calcutta auctions, in consequence, fell below Iran quality, being mostly off-grades, with sometimes certain types being withdrawn as, in the brokers' opinion, the bidding did not reach catalogue valuation. Withdrawn teas also found an outlet to London auctions. This discrimination was the subject of a protest to the brokers and finally a representation to the Chairman of the Central Tea Board by a body of merchants interested in the Iran market. (Dealer).

Private sales and forward contracts.

14. The second point to be noted is that a certain percentage of tea goes to U.K. and other countries as private sales and forward contracts. In 1954 it was 44% of the total tea auctioned from Cochin. It was 11% of tea sold in export auction from North India. The amount of exports under forward contracts and private sales increased from 34 million lbs. in 1953-54 to 73 million lbs. in 1954-55 *i. e.*, 155% (*Wide Statesman* 13-1-1956). The following evidence indicated the scope for various abuses underlying this method of sale.

"Many of managing firms also earn large amounts as buying and selling agents either direct or through their associate companies. For instance, company X sells the produce of the gardens under their control to their opposite numbers in the U. K. company Y in their turn sell some of this tea to the U.S.A. on contract with the parties there. The profits earned on these transactions are credited to company Y, although their functioning as an intermediary may not be necessitated by marketing conditions but may be only a matter of arrangement with company X made possibly by virtue of the control of company X over the tea gardens under their management."

(Company Law Administration).

"Private sales and forward contracts usually remove appreciable quantities of the top grades from here." (Annual meeting—C.T.M.A. 13-8-53 Chairman's Speech).

"Sterling companies made forward sales of tea which brought only a lower price and hence reduced profits." (Employees' Association—Jorhat).

"The C.T.T.A. says that tea as a commodity is fit only to be sold in open auction. Tea being a commodity distinguished by wide range of variation in type and quality and even a

single estate may produce over the manufacturing season a variety of teas with different characteristics, some teas being of interest to one market and some to another. Tea is consumed in every country of the world and probably no one consuming market has exactly the same requirements as in other market. The object of the producer is, therefore, to place his teas in that market which will be most interested in them at any time and the object of the world's buyers is to find at the cheapest price the teas most suited to their countries' requirements."

Tea, therefore, of such varying qualities does not lend itself to be sold by private sales and forward contracts.

The following illustrative figures of price at Calcutta auctions and the price at which tea was sold in forward contracts will indicate the difference between these two prices. It is a puzzle how tea sent from a garden for auction and as forward contract can have such varying prices. The difference between London auction price and Calcutta auction price is not less than eleven annas. This should be added to the auction price to understand the difference.

TABELE 13.—*Forward contracts*

Quantity of contract—mils. of lbs.	Date of contract	Sale rate	Auction price at Calcutta or Cochin	Date of Auction
23	1-4-53	2 0 6 (F.O.B.London)	2 3 8	31-3-53
26	15-12-53	2 3 0 „	2 2 5	13-12-53
12	1-10-53	2 3 0 „	1 14 8	29-9-53
0.4	2-10-53	2 3 0 „	1 14 8	29-9-53

These are not all the figures as it is stated that the figures supplied did not cover all private sales. Forward contracts are ordinarily made at low price in commodities which had a fluctuating market and brought a varying return in auctions. But tea catered to a foreign market for which it was indispensable. It was a commodity in which India's place in marketing could not be easily replaced by outside producers for a long time to come. There was, therefore, no ground for large sales by forward contracts.

There are possibilities of collusive deals with the buying party. By sending out better tea in this way, the Calcutta market does not get it and to this extent the auction price of the tea sold is affected. It prevents free competition in an open auction. Where the price of tea sent for direct sales is low, Government loses income-tax on the same. The profits for the concern are reduced and to this extent the commission and bonus to staff and workers are reduced and the retained profits by way of reserves are equally reduced. Collusive deals are possible. Capital may be thus repatriated. The subject is a serious one

needing urgent examination. There should, therefore, be an immediate enquiry into the fairness of prices fixed in private sales and forward contracts. If the enquiry showed unfair practices, private sales and forward contracts would require vigorous control if control is possible at all or should cease.

Buying concentrations.

15. The other features of Calcutta auctions should also be noted. Mainly low quality tea came for the auctions. A major percentage of tea bid in the auctions was bought by a small number of managing agency houses who were also producers. Eight managing agencies brought tea to the extent of 48·8% of export auction tea and 52·20 of internal auction tea at Calcutta. A combination among these buyers is bound to influence the Calcutta auction price. It was a producer-combine selling their own tea by mutual accommodation among themselves. They were in the executive of the auction committee. Further they had the advantage that the brokers informed them regarding the basic valuation for auction though these brokers acted on behalf of the sellers. The C.T.T.A. in their reply called this collusive practice as "guidance which their valuations provide and as a factor tending to stabilise the market which is in the interest of all."

Arising out of this concentration in sales was price-rigging about which the following evidence was received.

"A few big buyers twist the market. Rigging will stop only when Calcutta auctions are made more attractive to world buyers." (I.T.P.A., Jalpaiguri).

"Most of the export trade is concentrated with a few foreign firms. Trade is concentrated in such a way that their powerful organisations can manage to control prices even. One bad feature of the trade is that most of the agency houses have their export department." (Dealer)

The U. K. wholesale market.

16. The following features of tea auctions should be borne in mind. Sterling companies got the highest price per lb. for tea Rs. 2·3, Indian companies Rs. 2, and Public Ltd. (Director-controlled) Rs. 1/6/ in 1953 for their tea. These figures related to reporting companies. This was because the Non-Indian managing agencies consigned their best tea to the U.K. market which they can influence in their favour through their London firms.

The wholesale market in London and its interlocking with this producer combine will need study. Mr. Vickizer says that "the presence of strong producer organisations and concentration of buyers in London will undoubtedly again have a significant influence on world tea prices" (P. 164). This market too is concentrated in the hands of a few and its service needed much improvement.

"An outstanding feature of the London tea market is the remarkable degree in which the buying is now concentrated in the hands of a few powerful combinations—principally blenders

and distributors of proprietary blends.....It has been estimated that 70% of the domestic distributing trade is in the hands of only 4 combinations." (Tea under international regulation. Wickizer P. 10 and 11).

In 1949, "7 big companies were thought to account for 70% of business. Centralised buying in the U. K. by the Government was economical, removed worries, and helped the small merchant to maintain his position. Tea control was apparently acceptable to all but the most enterprising members of the trade."

A few big buyers had major control over the market even today.

Another feature of U. K. distribution during the control period was the distributor "capitalised on the tendency of the consumers to buy high-priced teas and made their sales appeal on a price basis" (Coffee, Tea and Cocoa, Wickizer P. 229 and 251).

Under these conditions it is noteworthy that price in the U. K. wholesale market was generally high and steady and the fall even during the crisis was not so steep as in India. The following figures would indicate the position.

TABLE 14.—*Difference between Calcutta and London auction price during the crisis*
(1934-38 = 100)

	Calcutta exports	London all tea
1951—		
July to September	345	314
October to December	285	317
1952—		
January to March	244	286
April to June	180	257
July to September	239	249
October to December	188	269
1953—		
January to March	133	293
April to June	285	320

London auction prices in 1952 were about 165% higher than in 1934-1938 (Source F.A.O. Tea 1953).

A study of our own figures showed that even in the crisis years, despite a price fall, Sterling and Non-Indian companies had a greater income and less loss than Indian companies.

U. K. Market controlled by producer combines.

17. The fact that a very large proportion of tea was both produced and consumed within the British empire in pre-independence days did not show off the near-monopoly character of the Non-Indian producer combine in India. But under the changed political conditions of today we witnessed two incidents namely, the sky-rocketing of tea prices in London in 1954 and the fall in Calcutta auction prices in 1955. The coincidence between the appointment of the tea auction committee and the rise in price in London in 1954 on the one hand and the coincidence between the Government's decision to limit the quantity sent to London auction and the fall in prices in Calcutta are puzzles requiring explanation.

Control of Calcutta auctions.

18. There was a sudden fall in the quantity sold for export in Calcutta auctions between 1954 and 1955.

TABLE 15.—*Fall in Calcutta sales*

Sale No.	1954		1955	
	Packages		Packages	
	Offered	Sold	Offered	Sold
21	56,171	53,362	48,524	42,268
22	64,063	62,433	62,734	45,095
23	56,534	56,435	58,961	50,549

The fall has been phenomenal. This was no indication that there was a fall in consumption in U. K. It might be due to stock-holding and stock-adjusting in the U. K. or combination among the buyers so that Government might permit more tea to be released to the U.K. than the prescribed quantity. The managing agencies regulated the flow of offerings through their London firms to the U. K. wholesale buyers so that there might be no surplus in the market leading to a price fall. These buyers had not much of a chance by themselves to corner. Stock-holding could not explain this fall. (Coffee, Tea and Cocoa, Wickizer, P. 163).

The powerful position of the foreign managing agencies in influencing Calcutta auctions would be also evident from the following figures of exports from India.

TABLE 16.—*Fall in exports.*

	(in Million lbs.)		
	1953-54 1st April to 28th January	1954-55 1st April to 28th January	1955-56 1st April to 28th January
North India	349	323	242
South India (Till December 1955)	61.2	62.1	51.9

For 1955-56 the permitted export was 480 million lbs. These figures clearly showed that these managing agencies could withhold or export their tea as to affect noticeably the Calcutta auction market. There was a distinct fall of 30% over the export of 1953-54 18A.

In February 1956, the Government of India was forced to suspend the limit on teas exported before auctions for the current year. This limit was fixed by a committee comprising 3 Europeans of whom two were connected with tea trade in London and one was the President of the I.T.A. in Calcutta. There was no condition attached to this limit that Calcutta prices should be always higher. Warehousing difficulties in Calcutta were not insurmountable. If there was surplus production the export quota through Calcutta auctions might have been increased. Indian producers and buyers have suffered a great deal by this suspension as they depended on larger Indian auctions at Calcutta. This was a clear case that Government which fixed a limit has been compelled by the non-co-operation of the Non-Indian managing agencies who could always put the blame on the Mincing Lane, to suspend it. That this cry of surplus production was a false alarm would be evident from the following review of Messrs. J. Thomas for March 1956.

"The fear in certain quarters that there would be a great surplus of tea during the season on account of the increase in production of the main tea-producing countries accompanied by a sharp fall in the tempo of shipments especially from North India have now been proved to be unjustified and not only have all sold teas in Calcutta been almost fully absorbed but it looks as if there will have to be strong and sustained internal buying together with some competition from the out-markets for the closing sales of the season."

So long as three fourths of production was in their hands, and as a high price to maintain a high-cost structure was the objective, regulation of exports for widening the auctions in Calcutta by the Government did not seem to be a practical proposition.

Consumer resistance in the U. K.

19. The explanation given either by managing agencies in India and big buyers in the U. K. for a rise and fall in price in 1954 and 1955 are not convincing. For 12 months ending October 1954 in the London market price of common tea rose from 3sh. 4½d. per lb. to 6 sh. 2½d. and 7sh. in January 1955. It fell to 3sh. 6¼d. in May 1955 and thereafter rose to 5½ sh. from September 1955. The rise in price was explained as due to world increase in demand and competition among international buyers in the U.K. market. When price fell it was explained as due to fall in demand as if tea-drinking was something which the habitual consumer could expand or contract at his will. The excessive price came in for bitter criticism in the British press and the Parliament. As a result of resistance of consumers and blenders who could not buy at 7 sh. and sell at 7 sh. 6d. "while to get a lb. of tea from the auction room to the shopping basket, costs something in the region of 1 sh. 8d.", the buyers too had to resist the

purchase of tea at a high price. The Tea and Rubber Mail said (17-3-1955) that the price fall was due to 'consumer resistance' and 'the stopping of wild selling by growers' in order to satisfy the market. The combination of producers who regulated the offerings according to demand, and big buyers in the U.K. could not have all their way, in the face of consumer resistance. The International Confederation of Trade Unions resolved at one of its meetings (Tea and Rubber Mail 10-3-1955) urging "a full scale impartial enquiry to put a curb on undue profits earned by monopolistic producers and traders." It further said:

"There may well have been a deliberate attempt to produce an artificially manipulated shortageThe parties that have been benefited are the plantation owners and traders on the one hand and Governments of some of the exporting countries on the other.....In India and Ceylon most of the plantations belong to the British companies whose shares have doubled in value in the past 2 years. The profits of the big tea estates jumped from £ 8 million in 1953 to £ 24 millions last year." The Minister of Food in the U. K. said "it is true large profits have been made recently by 176 tea companies".

Messrs. Caritt Moran & Co. Ltd., said in their tea sale review "while speculation in tea is undesirable and has shown an unwelcome increase in the Calcutta market in the last two years, etc." As the Government of the U. K. was convinced that there was a case for an enquiry into the high prices, the monopoly commission has named six experts to examine whether there is a buyers' ring and it is in the national interest that only a few firms should handle the bulk of marketing. The Statesman, Calcutta of 10th April, 1956 (page 9) says as emanating from its London Office that "there is a widely held belief in some circles that more competition would help to bring down retail prices." And this is the market to which the Non-Indian producers in India always urge that their teas should directly reach without passing through the Calcutta auction. The whole episode showed that the free operation of forces of demand and supply could not create these staggering fluctuations of price.

The Commissions's proposals

The Commission's report, however, makes different findings. It says in chapter XIII, Para 4 "The bulk of exports goes to the U.K. As London is one of the important centres of tea auctions this factor by itself will to a certain extent be a check in regulating the retail distribution of the price of tea in the U.K." The facts mentioned above do not, however, agree with this finding.

Again after issuing a questionnaire and getting replies on speculation in the Calcutta market, the Commission report says "a large section of the industry is of opinion that tea trade is free from speculative activities to an extent as not to call for remedial action by the State". In quoting the evidence as to the existence of speculation it says "some companies have stated that quite a lot of speculation and price-rigging takes place."

A producers' organisation referred to in the report says—"rigging of prices by a combination of a limited number of influential buyers may be combated, etc."

One cannot expect the 'large section' to support the existence of speculation when it comprises producer *cum* buyers against whom the charge is levelled. The quarters from which the complaint came could only be 'some companies' as the Indian section was about a fourth of the total industry. But from the Indian point of view it was the major section. Even the Indian producers' organisation has admitted the existence of rigging of prices. Despite this evidence, the Commission can only "conceive in certain circumstances of large concentrations working to the disadvantage of sellers". But as mentioned already, even Messrs. Carrit Moran (Brokers) mentioned in their sale review "while speculation in tea is undesirable and has shown an unwelcome increase in the Calcutta market in the last two years, etc."

The remedy proposed by the Commission against a "conceivable speculation in certain circumstances" is "as the volume of tea offered at Calcutta auctions increases both as regards quantity and quantity, the number of buyers will increase".

This is expected to solve the price-rigging in the Calcutta market. No proposal has, however, been made by the Commission to increase the auctioning of quality tea in Calcutta. Nor is there any hope as regards quantity when even the Government had recently to suspend the quota restriction for the U. K. market.

Wanted co-operation

20. It would be but human if the foreign producers of tea did not co-operate in bringing as much tea as possible to the Calcutta auction. So long as production was concentrated in their hands, they held their own produce. They would do their best to get the best price for it at the market advantageous to them. If the Calcutta auction would give them the best price, they would certainly stop their private sales, forward contracts, and direct consignments. It was a difficult problem whose solution could only be by good will rather than by coercive measures. Want of buyers, and warehouses, etc., were all there but they are not insurmountable if the will was there to sell a certain portion at the Calcutta auction. If U. K. buyers could go to Australia for bidding in the wool auctions, there was no reason why they should not bid in Calcutta auctions. As pointed out by Mr. Vickizer in his book, 'the interest of India and Ceylon to replace Ming Lane through their own auctions, were disturbing and were reflected in the valuation investors placed on tea shares'. This expressed the view point of the Non-Indian managing houses.

Re-exports

21. Another feature of export auction was the increase in the quantity of re-exports from the U. K.

TABLE 17.—*Re-exports from U.K.*

(in thousand lbs.)

	1952	1953	1954
Import of tea from India into U. K.	304,381	315,331	321,677
Re-export	9,418	16,146	16,862

The widening of the Indian auction in Calcutta depended to the extent to which direct exports to importing countries were encouraged.

High price for low-grade tea in India.

22. Broadly stated, there were, therefore, two markets, one in the U. K. for sale of better tea, and an Indian market for sale of a low-grade tea for export or internal auction. In the Indian market the brokers for producers also acted for buyers and thus the managing agencies were in full possession of all information in purchasing the tea of the Indian section at as low a price as possible as the latter was not organised. The combination helped to sell the remnants of tea in Indian auction at as high a price as possible after despatching the best to the U. K.

The tea sold in India became so low in quality that even the Indian consumer resisted its purchase in the season of 1948. J. Thomas said in the season's report. "The season demonstrated that the Indian market could not be used as a profitable dumping ground for appallingly sub-standard teas at any price." (Wickizer, p. 255).

Also the narrowing difference between export auction (better quality) and internal auction price (dust) at Calcutta showed the high price at which low quality teas were sold in India.

TABLE 18.—*Difference between export auction and internal auction price Calcutta.*

Year	Difference between export auction and internal auction price (dust per lb.)		
	Rs.	as.	p
1939	0	5	3
1940	0	7	0
1941	0	8	7
1942	0	10	6
1943	0	0	4
1947	0	5	11
1948	0	4	7
1949	0	3	3
1950	0	7	0
1951	0	5	8
1952	0	1	10
1953	0	0	6
1954	0	2	6

Warehousing monopoly.

23. As regards the agencies conducting the auctions, the report of the Commission has referred to evils of concentration. Warehousing was a monopoly. The evidence said :

“Charges very high—No competing agencies—insufficient accommodation—Losses by damage to chests—shortage of teas on the increase—pilferage.”

Broking concentration.

24. Regarding 4 European brokers, they held almost the whole trade in their hands in collaboration with the managing agency houses. They have increased the charges for inspection etc., from 5 to 7 as. from 1952. According to the evidence :—

“Their commission can be reduced by $\frac{1}{2}\%$. Their valuation affected smaller concerns. There was less time for bidding. Tea was kept for a few weeks but not sold on arrival.”

The Commission report has referred to the following facts. These four brokers handled 96·5% of the total 243 million lbs. of tea auctioned in Calcutta in 1954-55 and the two Indian brokers the remainder. They made an income of Rs. 91·38 lakhs and a return of 131·9% on their paid-up capital. Half the paid-up capital was not actually paid but allotted on other considerations. 29 out of 41 drawing salaries of Rs. 1,000 and over were Non-Indians.

The four brokers were directors of producing concerns and could fix any basic price they wanted for their own produce. They were not employees of sellers and buyers but were in the executive which decided the rules of auction. As buying brokers they had an additional commission. They advanced Rs. 2½ crores in 1953-54 to producers which thereby made it difficult for the latter to sell their produce except through them. Indian concerns were obliged to them for guaranteeing loans to banks, for negotiating loans with banks, for advancing money against documents before the tea came for sale, and paying freight dues on producers' account.

Distribution concentration

25. The tea thus bought by a few buyers *cum* producers through mainly 4 European brokers and warehoused by a single company who were producers as well as buyers was retailed to the consumers mainly by two companies. Messrs. Brooke Bond and Lipton sold in 1953 96·3 million lb. *i.e.*, 95·6% packed tea which amounted to 54·41% of total estimated consumption. (175·7 millions). Messrs. Brooke Bond had also their own planted area of 12,000 acres which contributed about 12 million lbs. of made tea. According to the report of the Commission there was scope for economy in packaging and distribution. The average price charged by these firms was Rs. 3-3-6 per lb. If

any Indian family consumed 10 cups a day, it would need 2 lbs. of tea valued at Rs. 6-7-0. A family earning Rs. 80/- a month would have to spend 8% of income on tea alone. Concentration in distribution resulted in a smaller number of retailers and consequently less competition among the latter for increasing the number of consumers. The price factor stood against increased consumption in India which, therefore, showed less expansion than exports as between 1942 and 1953. Between 1942 and 1953 the quantity exported rose from 334 ml. to 497 ml. lbs. while that available for internal consumption was 238 mls. in 1942, 292 mls. in 1946, 213 mls. in 1950 and 204 mls. in 1952. The Commission has proposed a certain ceiling for distributors, and also production of cheap tea by the Tea Board in order to expand internal consumption. While these measures will help to widen the area of competition among distributors, the concentration in the hands of these two companies can hardly be reduced so long as they were part of a production combine of managing agency houses. Concentration in distribution is the consequence of concentration in production and is not a fact by itself which can be separately dealt with.

Concentration in export finance

26. So long as tea produced was mostly in the hands of 13 managing agencies, they exported through foreign exchange banks who were the authorised dealers. In 1952 Non-Indian firms exported tea to the value of Rs. 40.93.4 lakhs which formed 99% of value of their tea exports through U.K. authorised dealers while Indian firms exported tea through the latter to the value of Rs. 5.34.8 lakhs which formed 88.6% of the value of their tea exports. Exchange earnings and profits of export finance naturally went to these foreign banks.

Concentration in internal finance.

27. As regards finance, Indian banks financed 152 producers to the extent of Rs. 6.3 crores, for 1954, while the Non-Indian financed 85 Indian companies (including Non-Indian Rupee companies) for Rs. 6.7 crores and 134 Non-Indian producers for Rs. 26.3 crores. This concentration again in financing tea was but natural so long as three-fourths of the produce belonged to Non-Indian companies.

Insurance concentration.

28. When production was concentrated in the hands of Non-Indian managing agencies, they naturally utilised their own concern or concerns in which they were agents for insurance. Non-Indian companies spent double of the Indian for stock and transit insurance (12 annas per 100 lbs. for India and Rs. 1/8/- for Non-Indian companies) in 1953.

Shipping concentration.

29. The managing agency houses were equally interested in forwarding their teas in British ships and paying for marine insurance in concerns in which they were interested. The freight charge amounted

to, according to a Reserve Bank survey of 1949, 5.2% of the value of exports and the marine insurance charge 2.5% of the value of exports. The value of exports of Non-Indian firms amounted to Rs. 41,36 lakhs. Hence the charges realised by Non-Indian insurance companies and ships amounted to Rs. 3,18 lakhs.

Control of production, source of all concentrations

30. Secretaries and agents of Sterling companies and other Non-Indian managing agencies have built various organisations of their own for production and marketing. So long as production was concentrated in their hands they could not be prevented from having their own brokers, their own warehouses, their own direct consignments and private sales, their buying departments to purchase tea, their supply, transport, and sale agencies, insurance, banking and shipping.

It is noteworthy that all the evidence received from Non-Indian companies and Non-Indian managing agencies only expressed satisfaction in their evidence with the working of various agencies. It is the Indian section of the estates that complained about brokers, warehouses, combinations among producer-cum-buyers and the restrictive practices in marketing. While Government regulations may help understanding through various committees in the Tea Board and prevent any discriminatory practices, they cannot abolish the concentration in the marketing and distribution side, as it was the result of ownership of more than 75% of tea-production by a limited number of Non-Indian managing agency houses. If the Non-Indian producers paid high charges to brokers and warehousemen, retained the service of the existing Non-Indian brokers and the single warehousing company, any committee of the Tea Board comprising the same producers cannot be expected to agree to bring down the charges to a lower level nor eliminate concentration. Indian producers too, so long as their production was negligible, could not but be obliged to Non-Indian managing agencies for finance, supplies, and sales. Regulation of marketing, therefore, would have only a limited value, so long as a powerful producer-combine operated.

Minimum regulation of Non-Indian companies

31. There was also the question to what extent Sterling tea companies which operated on the Indian soil could be controlled. The Commission's report has proposed the following minimum regulations. A certain amount should be set apart for replanting in the future in the case of existing plants. No company shall pay dividend nor repatriate capital until a phased programme of replanting in the place of aged bushes now existing is carried out. Also purchasers of estates of foreign companies should set apart to the replanting fund, the amount needed to replace old bushes. This only meant that the sellers should pay this amount. These are the minimum expected of Non-Indian managing agencies and their companies in the interest of the life and continuance of the industry.

Tea Board to be free from administrative work for the estates.

32. In this connection I would add that all producers need not be asked to hand over the levy per lb. for replanting of existing plants to the Tea Board but it should be sufficient if they were asked to maintain this fund in approved securities and approved banks. The Tea Board as such need not be burdened with the custody of the fund. It may supervise its application. Even this task the Board may leave to the rehabilitation finance corporations proposed in a later para. The Tea Board should confine itself to supervision and leave various services for estates to other bodies.

Appraisal.

32-A The facts noted in previous paras highlighted the main features of the Non-Indian concentration. Let me summarise them in this para. The managing agency-combine reduced productive capacity by a restrictionist policy, created short supply and raised prices to levels which the British consumer and the British Parliament had to resist. The price level was higher in certain years than what was necessary to recover full costs. The system was afraid to increase productive capacity lest it might reduce the return on the existing capital. When a few business men decided how much to produce, on what terms to produce, and at what centres and by what mode to sell and how much to sell and were able to influence consumer price, a planned regulation of existing resources and investment and equitable distribution will be rather difficult by the State. In the process of preventing a surplus, it obstructed natural business expansion to meet the needs of consumption. By an excessive distribution of profits, it prevented conversion of savings into essential fixed assets. The system has resulted in discouraging low-cost efficient units competing with the high-cost ones and selling at a lower price. It has sheltered high cost units and also low-yielding units. By keeping the prices from falling, it has widened the cost-price margins. A lot of wastage also results in the high-cost structure. Deliberate output restriction means less jobs. The system cannot claim either expansion of consumption or reduction in costs. It covered costs by boosting up prices rather than by reducing them. Neither does it provide by its investments alternative employment. While it concentrated on developing material assets as machinery, it paid less attention to non-material assets as efficiency, education, and health of labour. At the same time by the various interlockings of subsidiaries and associate companies and associate agencies, and by separating ownership from control in the management of independent incorporated companies, the system makes it difficult to find out collusive deals, and unfair repatriation of capital. The whole affair may be legal in form but is a menacing instrument of market control'. "Said an empire builder, new style, to his legal staff, forge these corporate ties in so intricate and circuitous a way that no court in the world can unravel the net work". (Cartal or Competition p. 297). Commenting on the excessive concentration of economic power in the marketing organisation, the report of the commission concluded that the 'situation is inherently unsound'.

Stanmore (Aanamally) Ltd., is one of the subsidiaries of Messrs. Brooke Bond Ltd., London. This company paid a dividend of $87\frac{1}{2}\%$ in 1951, $161\frac{2}{3}\%$ in 1952, and $72\frac{1}{2}\%$ in 1953. They have stated in their reply that dividends declared by them bore no relation to profits earned but were dictated by the financial needs of the holding company in London. The improvements needed in the system cannot be better described than the words of the F.A.O. Commodity Report Tea, 1953.

“Another measure to which these producers may have to resort is simplification of the capital and management structure,reduction of overhead costs.”

No doubt the managing agency system has carried out its objectives. It has kept price steady, high, and from falling. It has controlled production and marketing. It does not stint in spending on improved practices. It produces better tea. It spends more on amenities and medical benefits to labour than Indian companies. Granted the high costs and profits it is certainly efficient. It has fulfilled its objective of supplying tea to Western markets. The following appraisal of the system by Lt. Col. F. W. S. Roberts, Chairman at the Assam dinner in London was certainly just (Tea & Rubber Mail June 1956). “I believe it is true to say that some large tea companies would not have survived the dark days of 1952 and 1953 but for this support of managing agencies. The Tea industry has a remarkably clean record. What would happen to the mechanism of the visiting agents or the centralised ordering of stores and tea chests and the great experience of selling tea possessed by the managing agents.”

The benefits, however, are out-weighed by the harm accruing from the system towards the expansion of the industry to meet at economic cost an essential need of the consumer internally and externally.

Reduction in production is seldom temporary. It slips ‘from a prudent restriction to a predatory hold up’ as in 1954. A small Non-Indian group similar to a family exported better tea to the order of 360 ml. lbs. and sold in India second grade tea to the order of 140 ml. lbs. In 1953 it sold tea at Rs. 2.3 per lb. as against Rs. 1.6 realised by the Public Ltd. It repatriated 20% on investment as profits. It paid a dividend of $13\frac{1}{2}\%$ on the average. Its costs of cultivation per 100 lbs. were in 1953 Rs. 23.3 as against Rs. 11.31 of the Director-controlled Public Ltd. Its general charges were Rs. 46 per 100 lbs. as against Rs. 32.29 of the Public Ltd. Its total cost were Rs. 142 as against Rs. 104 of the Public Ltd. Being a Non-Indian concern accustomed to high standards of costs, costs of cultivation were naturally higher, though some costs on improved methods were justifiable. It exists by restricting production. Will this system be able to supply cheap tea to the Indian market which is a poor relation with low purchasing power? Can it continue when the U.K. Government widens the area of competition in the U. K. wholesale market, the British consumer refused to pay more than $5\frac{1}{2}$ sh., the U. K.

blender required 1 sh. 4d. as his margin, the U. K. wholesale dealer wanted 1 sh. as margin between India and Calcutta, and the Calcutta market cannot, therefore, sell at more than 3 sh. 2d. or Rs. 2/2 as. The change in conditions has converted the system into an institutional distortion. We will in the succeeding paras indicate the changes in conditions that make it difficult for the system to continue.

Additional costs.

33. Coming back to the question of finance for replanting in the place of pre 1910 bushes, this would need on the part of Non-Indian companies all their working funds (Rs. 35 crores) which they have accumulated till now and another additional sum of Rs. 22 crores. The estimation of these costs took into account only the aged bushes planted before 1910 and not thereafter. If this were not immediately carried out, an area of 30% to 40% would hardly yield after ten years. The coming crisis must be prevented if this industry is to be saved. As most of the area to be replanted was under Non-Indian managing agencies, they would be exercised over the high replanting costs amounting to Rs. 2,500 per acre. The cost of replanting when averaged for all the acreage under their ownership amounted to Rs. 1,113. They would certainly think of at least a six percent return on this investment to meet their borrowing charges for replanting. This amounted to Rs. 67 per acre. This will add, on the basis that an acre yielded 800 lbs., to the cost per lb. for *all* the acreage under foreign companies a sum of Rs. 0-1-3 per lb. According to the Commission's proposals, and to provide the funds to be set apart for implementing the Plantation Labour Act, the following will be the additional costs to be borne by all tea estates.

TABLE 19.—*Table showing additional costs per lb.*

	Rs.	As.	Ps
1. Compulsory levy for future replanting	0	1	0
2. Replanting cost for foreign companies (for Indian it will amount to 9 pies) for pre 1910 bushes—average per acre Rs. 1,113 annual interest Rs. 67 per acre on the basis of 800 lbs. per acre	0	1	3
3. Levy for subsidised tea—Calculating an average profit of 4 annas per lb. on 10 percent of production	0	0	4·8
4. Excess interest charges payable due to reserves being invested outside—reserves set apart being 1·5 annas per lb., the difference in interest being 2% loss in interest would work to	0	0	3
5. Provident fund	0	0	1
6. Road tax	0	1	0
7. Octroi duty	0	0	6
8. Plantation Labour Act—recurring charges	0	3	0
9. Plantation Labour Act—non-recurring charges	0	2	0
	0	9	5·8
<i>Deduct</i> items 6 and 7 on the supposition that they are abolished and also item 9 on the supposition that it is phased over a long period	0	3	6
<i>Excess</i> additional cost per lb.	0	6	0

Continuance or sale, both complex problems

34. The total additional expenditure to be incurred, therefore, would amount to 6 annas per lb. The maximum average price which one could expect was not more than Rs. 2/5/- per lb. Half of the excess expenditure might be met from the present profit. (See Table 29, P. 411) Unless tea, therefore, sold at Rs. 2/8/- per lb., on the average, Non-Indian managing agencies are faced with an uncertainty about a fair return on replanting costs. And too they should be sure of getting the 13.5% dividend on share capital, a twenty percent profit for their investment, and a 11% managing agency commission on profits in addition to commissions for supplies etc. They should be assured too that having spent all this money, they would be allowed to run the estates for a period during which they could recoup their investment. If according to the proposals, the Non-Indian companies were to sell the estates, they would have to hand over the necessary funds for replanting to the new buyer. As 30 to 40% of the bushes have to be replanted by Non-Indian companies, sale price for their estates may not give them any significant surplus after handing over the necessary funds to the new buyer for replanting. This is really a difficult situation for foreign companies. In view of their repatriating capital over a long period, they will have to return this capital at least to the barest extent of the cost of replacing the old bushes. If they sell, the sale price they get may not be much, after transferring funds for replanting. If they replant they would need an assurance of return on capital for at least the period of the age of bushes.

A pampered system

35. The plantation has been developed as a colonial economy. The high-cost structure of a costly managerial staff, high profits, high dividends, high commission to managing agents and low reserves is inseparable from it. The high brokerage charges, warehousing charges, high costs of supplies, insurance and freight, were all the incidence of this economy. This structure can be maintained only with State aid in several ways as was done by the former administration such as grant of enormous surplus land for supplementing income from tea lands, collection of an insignificant tax, and low wages. But since independence, non-tea lands are being acquired by the State Governments or their use is being controlled, taxes have been increasing, and wages have been raised by statutes and have become unalterable costs. As the following extract would indicate, the view points fundamentally differed. "To some British interests the greatly increased export duties were held to be Government loot and the raised dearness and other allowances unneeded" (Vickizer P. 237).

The very high-cost structure and repatriation of profits has naturally aroused labour and staff to demand a share of profits. Bonus for labour is a consequence of the costly structure. Both are inseparable from each other. Recently bonus had to be paid by cutting into reserves in as much as a high dividend and a high commission to

managing agencies had been already appropriated. To these should be added the high U.K. rates of taxation and the high death duty by the U.K. Government. The Capital, December 1955 said :—

“Death duties in the U.K. itself will mean that from time to time gardens will have to be sold to raise resources”.

To maintain a high cost management structure may be feasible only by restoring the colonial conditions of low taxation and low wages. Also it may be necessary to give discriminatory rates of special profits for foreign concerns if they are to be enthused over future replanting. This may not be possible when Government policy is to discipline private enterprise to be satisfied with reasonable profits. Nobody then is to blame for present conditions. The offsprings of colonial administration cannot find suitable nourishment for their growth in a national administration.

Its emigration from East to West and consequent land sales in India

36. “It was not surprising that there developed what was described as a pilgrimage to East Africa where costs were lower, yields higher, and opportunities for profit inviting” (Coffee, Tea, and Cocoa—Wickizer, P. 169).

“Companies which formerly operated in India and Ceylon have started plantations in Nyasaland and Tanganyika. In the latter, climatic and soil conditions appear to be favourable and production is expected to double in the next 5 or 6 years. Encouragement to establish tea plantations is given by the Government through allocation of crown lands, financial credit, and through local price stabilisation measures.” (F.A.O. Tea, August 1953).

The approach of Non-Indian companies towards this problem will be evident from the following:—

“Many strangers now appear in the tea cup *e.g.* African States, Australia, etc...Should any of the countries that are now successfully producing tea make life more difficult for the successors of the men who built up their important Tea industry, or prove unhelpful when these men wish to return to work after a holiday in the home country or hamper those who have provided essential capital from outside, might it not be a practical alternative for them to take up one of these 200 acre farms in Australia. We may remind ourselves that one important personality of the tea world of India and Britain has since his return from India successfully grown a number of tea bushes in his garden in the U.K.” (J. W. McKay, p. 132, Tea and Rubber Mail 1955.)

If, therefore, Sterling companies sell their estates they are due to the historical process. British companies left China when their monopoly in tea ceased and came to India. And when British supremacy ceased in India, conditions have changed.

“There has been a shift westwards of the major plantation markets and also of their growing areas. The rubber and tea of Asia are now obtained from Africa and America...These trends in economic and political world strategy are tending to integrate the production and consumption of plantation products on an inter-continental basis from south to north rather than from east to west.” (I.L.R. March 1953. R. Rowx. I.L.O.)

- The consolidated Tea and Lands in India have 2/7 interest in the African High Lands Produce Company. Referring to the same its chairman said in his report (30-11-1950) “a large development programme has been decided as by the board commencing in 1952”. The Directors’ report Kannan Devans said in 1952 about this same company in which it had interest. “This company had another satisfactory year”. The consolidated Tea and Lands said in the Directors’ report 18-5-1955.

“This season a larger quantity will be shipped to London. The result for last year was very satisfactory.”

As regards the kind of estates sold by Sterling companies the following extracts from Directors’ reports are revealing.

“The property was a low-yielding area which in view of the present high costs of labour wages, houses, etc., was not highly remunerative. In view of this your directors had no hesitation in accepting an offer the equivalent of £16,875.” (Aibheel Tea Co. Report by directors 31-12-54.)

“This district does not produce quality teas.....As a reasonable price was forthcoming your directors thought it desirable to dispose of this property and the proceeds have since been remitted to this country.” (Anglo-American Direct Tea Trading Co. Directors’ Report 30-6-1955).

These extracts are revealing. Big Non-Indian companies sell their estates in India without being called upon to provide for replanting to replace old bushes, and with the money realised began fresh planting in East Africa. The kind of land they sell are in some cases “low yielding” and cannot produce “quality tea”.

A statutory percentage for reserves

37. Apart from the needs of replanting to maintain the tea bush in full life, the industry both Indian and Non-Indian lacked sufficient reserves for development and meeting unforeseen losses. The figures collected by the Commission indicated that Sterling companies and Non-Indian companies put by a smaller percentage of net profits as retained profits than Indian companies under Indian managing agencies and Public Ltd., Indian-Director controlled.

TABLE 20.—*Retained profit as percentage of profit after taxation*

	1939	1946	1950	1953	1954
1. Sterling companies	48.1	45.0	57.7	72.45	64.7
2. Non-Indian companies under Non-Indian managing agencies	35.2	27.2	32.9	71.00	53.9
3. Indian companies under Indian managing agencies	97.8	81.6	71.9	92.30	90.9
4. Public Ltd., Indian control	62.3	60.4	67.2	81.30	86.0
<i>Retained profit as percentage of profit before taxation</i>					•
1			24.29	38.30	30.82
2			22.95	62.71	38.20
3			48.24	73.90	78.70
4			45.74	60.71	67.79

Evidence has been unanimous on the need for increasing the reserves. The Minister for Commerce and Industry when moving the Tea Bill said “that since 1933 this industry had an uninterrupted period of prosperity, and unfortunately, if we did not build up reserves, both for the purpose of wage equalisation and also for meeting losses, there must be something radically wrong somewhere and, more than anything else, this fact demands that the Government should become a conscious and deliberate partner in this industry rather than abdicate their rights in favour of one or other types of vested interests which are engaged in this industry”.

The Assam Government said:—“The Indian Tea Garden should start building up substantial Reserve Funds of their own, so that they can stand on their own legs during periods of depression in the industry. It is found that over 50 years’ old Indian gardens have no Reserve Fund and consequently during crisis they find it extremely difficult to run their garden when Banks also feel shy to advance loans to them at such times. Therefore, there should be some sort of legislation to compel the owners of the Indian Gardens to keep apart a substantial amount of their profits every year for the Reserve Fund till it accumulates to such an amount which will be sufficient to run the garden at least two years without any outside aid.”

The West Bengal Government said:—“The Tea Industry should build up adequate reserves by ploughing back sufficient funds out of its profits, instead of distributing away the same in exceptionally high dividends.”

The Bihar Government said:—“The industry should float with the help of the Government a reserves fund to carry replenishments of machineries and machinery parts and should build good reserves.”

The statement of the incorporated Chartered accountant and secretary of the United Planters’ Association of Southern India before the Madras tribunal explained the significance of reserves and deplored its misuse in the following words:

“In many cases they have been so used or applied indiscriminately either partially or even wholly during each financial

year in which the profits were earned and long before the undistributed balance of profits was ascertained. If they have not been so applied and were not later distributed as dividends (even tax), they are intended to cover such items as additional depreciation, development, expansion, reduction in borrowings, provision of working capital, etc. They are capital investments in the business."

At the annual meeting of the Dooars branch of I.T.A. its chairman said at its annual meeting 1953 :—

"For any one to state that they are not interested in rebuilding reserves, is the surest way to bankruptcy court, and unemployment."

These extracts of evidence and the study of percentage of profits retained showed that the existing reserves were not adequate. The Assam Government went further and said "there should be some sort of legislation to compel the owners to keep apart a substantial amount."

The least the commission should do in the face of this evidence is to recommend that the *status quo* in regard to allocation to reserves should continue. Possibly they expect the possibility of apportionment of a lesser portion of profits than at present to reserves in the interest of meeting the additional costs arising out of replanting, etc.

Replanting reserve proposed by the Commission was an exceptional reserve in the case of a wasting asset as the tea bush. This is a depreciation charge for one of the fixed assets. An industry which needed little capital investment on machinery as compared to other industries ought to incur this expense in addition to allocation to reserves. The Taxation Enquiry Commission report showed that as compared to other industries Tea made a greater distribution of profits and retained less. Under these circumstances the commission which has proposed a committee to fix share of profits for shareholders, labour, and management, ought not to have left it to this committee to reduce the percentage if necessary, that should go to reserves. It had enough and more material to decide the percentage than the proposed committee could possibly have and at any rate there should have been no loophole left to reduce the existing percentage of profits set apart till now towards reserves. The figures given in a previous para showed that the lowest figure of profit before tax set apart by any company for reserves was 22.95% in 1950. The lowest figure of profits set apart after tax was 45% in 1946. The need for reserve being made statutory has been admitted by the commission. I would go further and submit that a percentage of profit which would in no way reduce the longstanding allocation to reserves should be fixed in law. A percentage of 25% of profits before tax is the least that this industry should set apart statutorily for reserves.

To come back to the point of control of Non-Indian companies, the needs of the industry are imperative and these companies must replace the old bushes, put by reserves for future replanting of existing young plants, and also set apart 25% of net profits before tax

as reserves for development and unforeseen losses. All these should be provided by law. This is the minimum to be enforced on all companies including Non-Indian companies.

State partnership in a corporation when requested by Non-Indian companies

38. These new financial commitments for the bare existence of the industry will have varying reactions on Non-Indian companies. Some Non-Indian concerns may shoulder the new responsibilities without any State aid. But the replanting costs create a new situation. It is tantamount to the starting of a new industry in so far as the average costs spread out on the acreage of Non-Indian companies amounted to Rs. 1,113 per acre. They never incurred this cost when they first planted the bush before 1900. Government should, therefore, go to the rescue of such Non-Indian companies which required capital for replanting. It had all along been a partner in sharing the profits. It should, therefore, also become a partner in sharing both loss and profit. There will be a reduction too in the income of the Non-Indian concerns during the period of replanting as new bushes would not have begun to yield and old bushes which yielded something would have to be uprooted. Government should, therefore, become a partner in Non-Indian Rupee companies which needed capital for replanting by taking shares in them. Where a large number of Non-Indian companies including Sterling applied for help, Government may offer them membership in a corporation, itself holding the major share in it. Stating another reason showing the need for a public corporation, Mr. Vickizer stated :

“Whereas the plantation may have difficulties now-a-days in recruiting an adequate labour force, the public corporation could make employment conditions sufficiently attractive to overcome native prejudices against the plantation system.” (Coffee, Tea, and Cocoa—p. 547).

Sale of estates

39. Another class of Non-Indian companies may like to sell their estates. It will be highly undignified to permit “a process of attribution, with gardens being sold off one by one as inflated costs or changed circumstances make it necessary to do so.” Considering the fact that after independence the inherent conflict of interests between India and the U. K. as producer and consumer has not become so intractable to find a solution, that the producer is also interested in the consumer in the U. K., and that India is a member of the Commonwealth, the present difficulty of Non-Indian companies should be removed as smoothly as possible. When the closure of Non-Indian gardens was certain, the question should be faced, every assistance should be given for their continuance, and when sales was unavoidable, an orderly sale should be arranged maintaining the best relationship with the Non-Indian companies.

The report of the Commission on sale of estates has referred to the serious situation which has arisen as a result of poor management by new purchasers. The quality of tea was going down and produc-

tion too was affected. It will be readily admitted by all that any transfer should not affect either production or quality. Also over-capitalisation affected adversely the normal expenses that should be incurred for the maintenance of industry. The Commission's proposals are that the Tea Board might maintain an appraisal service to advise the buyers and sellers at their request and assist the Controller of Capital Issues in assessing share capital needs for purchase of estates.

An advisory service to be used at the option of buyers and sellers may not be asked at all for its advice. It may prove costly and may not have much work. The capital controller certainly needed a better assistance than what the Tea Board was at present rendering in this regard. But if the Tea Board is to have no more responsibility in controlling sales than advice on prices of land at the option of buyers and sellers, maintenance of an appraisal service for the purpose and for the sake of the capital controller alone will not be justified. The Commission has also said that such a service would also help the Reserve Bank. In what way the Reserve Bank would be helped required more details.

The Commission's proposal for a staff reviewing the condition of fixed assets including the tea bush and supervising a phased programme of improvements will help the new purchasers too. These proposals do not solve, however, the question of estates becoming over-capitalised and getting into wrong hands in consequence of sales. The Commission has not taken note of the over-riding right of the State and society in public interest over that of the private owner in respect of land property and the other fixed assets of an industry.

In periods of boom prices speculators buy farms not for developing them but as a temporary refuge for their capital. Considering the train of serious consequences resulting from purchase of lands at high values to the future of the industry, the State has every right to interfere, regulate purchase of land assets at the commencement of an industry, and thus avoid more radical inroads into private management at a later stage. The right of disposal and purchase of land does not operate in a vacuum but generates economic forces affecting not merely the buyer and the seller but various other interests as State revenues, management, labour and consumer. In an industry where land was the major asset, the State had a duty to see that its purchases by the private sector were at a fair price. When legislation was advanced enough to take control of industries and lands which were not efficiently administered, there was no reason why these short-sighted purchases thinking only of the gain in boom years should go unregulated. Land transfers should not be merely governed by objectives of personal gain alone, but also by economic and social objectives of the State.

"There is a growing opinion that land is vested with a paramount public interest, that private land-ownership is granted by society rather than being an individual right, and that when it comes into direct conflict with the general welfare, either it must be restrained or the land must be converted with due compensation into public property."

(Agricultural Year Book U. S. A., L. C. Gray 1940.)

The existing law recognised the need for controlling share capital investment for purchase of estates. The capital controller did not approve of share capital issues unless the sale price was fair. Every sale was, therefore, controlled regarding its purchase price when a company floated shares, or raised loans other than from banks for purchase of estates. But if a company purchased estates from its own funds, there was no control over it, neither was there approval of purchases if a debt was incurred from banks for this purpose and the company applied to the Controller of Capital Issues to issue shares in order to clear the debt. If overcapitalisation should be checked and is being checked in the case of companies, there was no reason why it should not be checked in the case of proprietary sales. A proprietor of a land who purchased at a price which would not yield him a 4 to 5% return would naturally stint in other expenditure on buildings and machinery and salaries and wages. If he had borrowed a portion of the required purchase price at a higher rate of interest than what the land would yield, it would be an additional charge on the property. No amount of caution would be, therefore, too much in preventing the operation of those factors which added to costs. In years of fall in prices, proprietary estates purchased at high value would suffer as much as overcapitalised companies do. Want of funds, need for mortgage borrowings, and mental worries are the consequence. Overcropping is done to meet the costs.

All sales should be, therefore, approved in the interest of the industry. Transfer of estates is not done only by sale of land property. A company is purchased by another company or the controlling interest in shares is purchased. The capital controller can control these transactions only when the directors of the purchasing companies applied for issue of shares or debentures or loans from parties other than banks in order to meet the cost of these purchases. The management of a company sells its property to another company which the same management owns. It is the case of a same person being the seller and buyer. Overcapitalisation and undesirable management may be the result of these transactions too. The company law should provide for approval of all sales in respect of companies, by its Administration with the assistance of the appraisal service of the Tea Board and in consultation with or consent of the latter. In the case of non-company sales, the Tea Board should have the power of approval. Its valuers should fix a fair price considering income and expense over a long period, the condition of fixed assets including plants, and the needs of labour and staff. The Tea Board should consider whether the purchaser had sufficient resources and capacity to manage the estate. It should examine whether he was a speculator or an industrialist. Every sale needed examination also from the point of view to what extent an estate became undersized for its economic running. Legislation regarding approval of sales has been working in this country to protect backward communities for the last half a century and more. Recently land tribunals fix the price of land in the case of tenant-purchase programmes. The Madras Government enacted a law in 1947 prohibiting resale for

10 years and purchase of land over 50 acres except with the permission of the collector of the district to prevent speculative land purchases in the Tungabhadra project area. The capital controller has been approving purchases of land through the sanction he gave for floatation of shares for the purpose. The commission has already proposed that every sale should be approved by the Tea Board so that it might satisfy itself regarding the provision of replanting fund. It is also necessary to approve of every sale so as to prevent subdivision or sale of portion of estates resulting in making economic into uneconomic units. Approval of sales from the point of view of overcapitalisation, managing capacity, and resources is no more than an extension of the principle of approval of sales for other purposes as the maintenance of replanting fund. The Tea Board should, therefore, be empowered to permit land sales over 100 acres. When it licensed replanting and extensions, it might also approve the new proprietor or the management of a company which purchased an estate. Such a permit would also prevent the growth of mushroom companies and speculative proprietors which came into being during periods of boom.

For reasons best known to themselves, there has been rapid revaluation of assets by Non-Indian companies, the adjustment of the excess value as reserves, and transfer of reserves as bonus shares particularly during the last three years in Sterling companies. The revaluation is based on certified accounts which the auditors themselves admit they have not been audited. The paper figures might mislead the new purchasers. In this connection the following reflection in an article in *Tea Trade and Industry*, February 1956, is worth noting.

“The capitalisation of reserves may be influenced by a number of motives, but one of these is supposed to be giving the shares higher values in the market or increasing the number of shares appreciably, so buyers would find it difficult to acquire control or to buy at any but very stiff prices.”

It is, therefore, necessary that the real values should be examined by disinterested auditors. This is an additional reason why no sale should be allowed without a permit from the Government.

Priorities in distribution of permits for sale

40. Certain priorities may be followed in the grant of permits for purchase of estates. The commission has proposed that where small producers combined, and raised 30% of share capital for purchasing a factory, Government should acquire it in public interest and contribute the balance required. The same principle should be extended that, where small holders' co-operatives purchased estates, the same help should be forthcoming. Such State-partnered co-operatives should get a priority in purchase of estates. Secondly, Indian Public Ltd. companies (director-controlled) have shown more economy in costs and more prudence in allocating profit to reserves than Indian companies under managing agencies and Non-Indian companies under Non-Indian managing agencies. With a rational control over their profit distribution which formed, however, a larger question to be decided

for all industries, with a restriction on shareholding as not to exceed a certain percentage of total share capital for a single shareholder, the Indian Public limited companies (Director-controlled) aided by their own organisations for supplies and marketing would prove equally a good type of management in the private sector. Where such companies are formed to purchase estates or existing companies purchase them or undersized companies want to buy adjoining estates to make them properly sized, permits should be given to them. Thirdly, where either of these organisations do not come forward for making purchases of estates, the proposed corporation may buy them. According to the figures of the Commission, the proprietary form has given little indication of economy in costs, or building of reserves, or investment in fixed assets. The Proprietary and Partnership concerns spent the lowest on manures and their yield too was the lowest.

Conclusion

To conclude, in addition to the proposals of the Commission regarding phased replanting to replace old bushes and maintenance of a replanting fund for the future, all companies should continue to allocate the usual percentage of profits to reserves *i.e.*, 25% of net profits before tax. Where Non-Indian Rupee companies want State help for replanting, the Central Government should contribute it by way of share-capital and thereby become partners in them. Where Sterling and Non-Indian Rupee companies need assistance, they should form part of a corporation in which they may hold shares. When any person or company owning over 100 acres sell their estates, they should get a permit from the Tea Board which would fix a fair price for them. The Tea Board should arrange the sale in order of priority (i) to State-partnered cooperatives (ii) Public Ltd. (Director-controlled) subject to a limitation on the holding of shares by a single individual and (iii) the proposed corporation.

Regulation of marketing

41. Concentration in marketing and distribution and its evil consequences has been already referred to. Where they are inherent in the concentration, there is no remedy so long as the latter existed. For instance the patronage of the four European brokers, the possibilities of rigging of prices by a buyers' combination, the patronage of warehousing by a single company, cannot be eliminated by State intervention. Neither the Indian section of exporters will be able to fight this concentration unless aided by schemes of export credit insurance and finance. The Calcutta Tea Merchants' Association represented that "unless banking facilities for shipments were available for Indian merchants, their competition with Ceylon in the export of tea to Middle East countries would be hampered". (1949 report—p. 10).

Every assistance should be given by Government in this respect. Secondly, as dealers of Iran represented, there should be no re-export from U. K. of teas to Middle East countries. Thirdly, a certain percentage of good quality tea should be sold in the Calcutta auction. Fourthly, if an investigation showed that direct sales and forward contracts resulted in unfair practices, either they should be controlled if controls are possible or should be stopped. Fifthly, provision for State-

partnered co-operative marketing to be definitely fostered as proposed by the Gorwala Committee with technical aid for the Indian section of the industry would help to improve quality, and minimise sales at low prices in a market of concentrated buyers. Sixthly, the report of the Commission referred to evidence about high charges of brokers and the warehousing company and damage to tea chests but instead of proposing an investigation and a remedy if these were true, it said :—

“It is not so much a matter of reasonableness or otherwise of the Calcutta warehousing charges, etc.”

At another place it said :—

“The Tea Board should also look into the question of warehousing and brokerage charges about which complaints have been heard.”

One of the terms of reference to the Commission is the consideration of the marketing charges which affect consumer price. When Non-Indian managing agency houses could not be expected to give evidence against their own institutions of brokers and warehousing and when a majority of Indian companies complained against these charges, there was no other alternative than an investigation and an immediate reduction in costs as this would help to save costs to the producers and help a reduction in consumer price.

Licensing of Tea Dealers.—In order to prevent adulteration and supervise distribution, tea dealers should be licensed. The following proposal of Mr. B. C. Ghose, Vice-Chairman of the Tea Board is worthy of consideration.

“Tea gardens, factories and all dealers in tea should be licensed.

In addition to the tea that is sent to the auction sales, the tea factories shall have to give return of all local sales to the Tea Board and Central Excise authorities. The Tea Board would check these with those of the traders. The managers would see that any tea which is not fit for human consumption is not sold to any dealer other than the licensed dealer for export of tea sweepings for caffeine manufacturing purposes. The Tea dealers will have to account for all purchases and disposals and should there be any discrepancy or should it be found a particular dealer was dealing in tea which was not fit for human consumption, the dealer may be warned and ultimately if the crime is repeated his licence may be cancelled.”

State-partnership vs. control

42. When a combine was a producer-combine, control of marketing of their produce would be like damming a canal at the end to prevent a flood instead of at the source. It will only breach in several places. Given the producer-combination, Government can only go on plugging the holes each time they discover it. Government has also to choose between controls which required individual treatment and watch of all companies and was not merely a regulation of general application, and partnership with existing Non-Indian concerns. If Non-Indian companies wanted assistance a corporation may possibly be less irksome than controls over several points, and the consequent race between the management in search of fresh holes for evasion and the Government staff in devising rules for plugging the holes.

CHAPTER II

DEVELOPMENT OF THE INDIAN SECTION OF THE INDUSTRY

TABLE 21.—*Acreage under tea in India classified as Indian and Non-Indian*

		Size of Holdings Upto				Total
		100 acres and less	100-300 acres	300-500 acres	Above 500 acres	
<i>Indian:</i>						
Estimated No. of Estates	. . . . .	5,283	340	166	146	5,935
Area	. . . . .	32,835	64,000	65,000	1,15,000	2,76,835
Percentage to Total Indian Acreage		11·9	23·1	23·5	41·5	100·0
Percentage to Total All India Acreage		4·2	8·1	8·2	14·6	35·1
<i>Non-Indian:</i>						
Estimated No. of Estates	. . . . .	...	25	89	520	634
Area	. . . . .	...	5,677	35,842	4,69,161	5,10,680
Percentage to Total All India acreage		...	0·8	4·6	59·5	64·9

Economic and Uneconomic units—Indian and Non-Indian

43. The place of the Indian section in the Tea industry as a whole should be properly understood in order to understand its problems. There were in the Indian industry 5,283 units below 100 acres (area 32,835 acres). These were a problem by themselves. They comprised 11·9% of the area under Indian ownership. They needed every help like the small holders growing other agricultural crops.

Another group of uneconomic Indian estates ranged between 100 and 300 acres. Many of them should only be classified as uneconomic as they cannot be made into economic in a short time. Their number was 340 and they held 64,000 acres. The percentage of their area to total area held under Indian ownership was 23·1. The third group (300-500 acres) comprised about 116 units and 65,000 acres. Their percentage to total area of Indian ownership was 23·5. Amalgamation might be attempted where possible in these two groups as to make them proper units for the conduct of a factory. Others should be treated as plantations supplying leaf to State-partnered co-operative processing societies.

Estates and holdings below 300 acres formed out of the area of Indian ownership 35%.

Indian ownership of 500 acres and over was 1·15 lakhs of acres in the hands of 146 owners. This formed 41·5 of total Indian ownership and but only 14·6% of the total area of estates over 500 acres. The total number of Non-Indian owners holding over 500 acres might be estimated as 520. They hold 4·69 lakhs of acres, or 80% of total area of estates of 500 acres and over.

When we talk of the Indian section of factory industry in Tea, we should remember that those holding such factories were estimated as 146 out of 666 and they held 20% of the total area of estates of over 500 acres. 520 owners were Non-Indians and they held 80% of the area of estates of 500 acres and over. Even if we consider all Indian estates of 300 to 500 acres as having factories and good enough for State regulation, the total percentage of area of Indian ownership of these two groups (300 acres to 500 acres and 500 acres and over) will be 65 of Indian ownership and 22·8 of total area. 35% of Indian holdings less than 300 acres was uneconomic. Another 23·5% of Indian ownership held a middle position (300-500 acres). 65% of Indian ownership alone (over 300 acres), therefore, counted *i.e.*, 1·80 lakhs of acres. The total number of Indian units which could be treated as the industry including owners of 300 acres to 500 acres and over was 312. The number of units below 300 acres was 5,623. They held 0·97 lakh of acres, *i. e.*, 35% of the area of Indian ownership or 12·3% of total area. No proposals for development financial aid, and regulation of marketing will have any significance unless priority was given to the creation of properly-sized units. It should also be remembered that even as regards the estates of over 300 acres under Indian ownership, many are not situated in the best lands. Many are on low ranges. And what all have been purchased from Sterling and Non-Indian companies are also not good lands. The problem of development, therefore, was not one relating mainly to normal healthy estates but also included uneconomic, under-capitalised, and low yielding estates and holdings requiring individual treatment of a long-term character by planned schemes of rehabilitation.

The Commission was concerned with two sets of problems. As regards the Indian section it was mainly a problem of developing 5,623 uneconomic units below 300 acres, comprising 97,000 acres, and 312 units of proprietors and companies owning over 300 acres comprising 1,80,000 acres. The Non-Indian section related to 634 units comprising 5·10 lakhs of acres of which 520 comprising 4·69 lakhs of acres were over 500 acres, 89 comprising 35,842 acres between 300 and 500 acres, and 26 comprising 5,677 acres between 100 to 300 acres. This section could look after itself but only needed regulation that they did not waste the national asset of tea-plants by not replanting nor kept the other fixed assets in disrepair nor impoverished the soil, and paid their taxes to Government. Also they needed regulation regarding administrative and overhead costs, supplies at economic costs, sale of tea in open auctions, a just retention of profits, as reserves, a just distribution of profits, a fair price to the consumer, and a fair deal to Indian employees and Indian

labour. These then are the economic problems of the Tea industry of developing 5,623 uneconomic Indian units and 312 other Indian units over 300 acres of which many required to be put in order, and regulating a very large Non-Indian sector regarding the maintenance of the industry and a fair deal to Indian employees, Indian trade, and Indian consumer.

Classification of uneconomic units—Evidence analysed

44. The Commission sent a special questionnaire to all associations and Governments about the possibilities of making small uneconomic gardens into economic units by voluntary amalgamation or otherwise (Ch. III, Para 2) and what according to them was a minimum area of a tea garden for economic working (Ch. III B, Para 7). Their replies are summarised below.

Estates according to their soil condition and capacity for production will first need classification.

Certain areas have deteriorated in the South in low elevations. Successive failure of North-East monsoon led to draught and poor yields. The disease of blister blight increased the costs of crop protection. An experienced scientific officer said that

“if this trend was continued for any length of time, some 30% of the total acreage may become sub-marginal”.

When areas of this character were purchased and worked with an eye to immediate gains, standards of cultivation became poor. Low yielding areas which needed to be put

“on a care and maintenance basis for a protracted period without materially affecting the overall production of the estate or abandoned has been estimated as 15% of the acreage in the South”,

but this scientific officer says

“that this solution is difficult of practice because of the long-term labour problem”.

There were also areas in Cachar which needed special treatment. The Cachar Plantation Enquiry Committee, classified the various uneconomic areas as ranging between 20 and 30% and recommended their abandonment even if thereby the total planted acreage was reduced. This percentage might be lower as a result of high price for tea but all the same uneconomic areas were there. To this should be added the newly-purchased uneconomic gardens from British companies. (Mr. Sen's report). The new owners could not find the capital to restore them to normal health. Reference has already been made in the report of the Commission to indebted gardens. According to an experienced planter,

“there is another category as in Cachar where the acreages are considerable having attracted superfluous capital by the lure of profits realised in boom periods but without sufficient warrant for any economic deal in terms of normal rewards. These estates would seem to call for more capital expenditure than the purchaser had bargained for and it is possible that when the required capital will have been put in, the rewards will be disappointing so that no inducement for new investments can be found therein. The case of such gardens is hard indeed, but the purchaser seems to have brought trouble and have got to find a way out”.

In Darjeeling an experienced estate manager mentioned about the deterioration of the soil in acute slopes, the old age of the bushes, and high costs.

In addition there was the problem of plantations and factories which required assistance to make them economic brought about by various causes. One was the floatation of companies owning between 51 and 300 acres.

“Some proprietors read great dreams into the prospect and sought to convince the share-holders by paying out all profits made at any time without any contribution for either efficiency or reserves. It is the case of such estates that is certainly problematic”.

Another cause of uneconomic estates was the shelter given by international agreement restricting crop production, followed by a continuous period of high profits.

“The live and let live policy enabled practically all established producers to continue in existence including many small units with relatively high over-head costs. Little was done to simplify the corporate structure and even estates of a few hundred acres were organised as corporations with administrative costs in producing countries and abroad.”

(F.A.O. Commodity Report—Tea—1953).

Between 1950-51 and 1954-55 the number of companies registered was 63. The number that ceased working was 26.

Sub-divisions due to inheritance also created uneconomic estates of 100 to 300 acres. Writing about this class of estates a recent article in the Indian Finance said,

“Those below 300 acres are definitely liable to trouble when prices fall because the costs are most inelastic. They cannot have sufficient resources also because the margin for such reserves is almost nil. They are the problems of the industry now and they will be so in the future order as contemplated. It

is certainly necessary to find out where and how they stand, and what they would do when the large-scale replanting will be forced on them. They are to be considered because the availability of both labour and land may be affected by what they would do or be required to do. Suggestions have been made that they may, in suitable conditions, combine into bigger estates or concerns; but, if that does not happen, these estates may have to be brought under the same general agricultural policy of the Government as would contain the small holdings."

Merger of units

45. A representative of a trade union sent the Commission, on its request illustrative examples of forming 16 units out of 87 gardens and referred to the harmful consequence to the industry owing to such fragmentation in the following words.

"If the garden was splitted between partners the worker will starve and the property will be ruined.....Estate X belongs to 4 Marwari businessmen who quarrelled and the Government has appointed a receiver—In another estate lack of proper maintenance of 200 acres and production came down to 3 mds. Small and medium size gardens deteriorating for want of proper maintenance—These owners can form a tea company with one tea factory instead of 6 factories at present or if they want to hold their own estates they can make a central tea factory—all the small tea estates can unite and float new tea company and central factories. An estate split constructed into 2 factories and the garden had to be closed for want of finance and hardship to 500 working men—A proprietary garden with 500 acres and 20 maunds of dry tea per acre and 1,000 acres for a company are the minimum economic unit."

Another witness said :—"That estates of 200 acres each with 2 factories had no money to pay labour and manufacture. Six estates of 1,300 acres with 6 factories used discarded machinery." He put the minimum as an area yielding 3,000 mds. *i.e.*, 250 to 300 acres.

The Surma Valley Planters' Association said:

"under the present cost structure no proprietary garden below 300 acres and no company garden below 500 acres can be efficiently and economically managed.....It is not possible to maintain a garden efficiently without a well-trained technical manager and to pay him, the crop should be at least 3,000 maunds in one unit in a proprietary garden and 5,000 maunds in a company-owned estate. All uneconomic small estates having less than 500 acres under tea should be allowed permission to extend new plantation upto 500 acres without restriction and for that purpose Section 15 of Tea Act 1953 suitably amended."

The Vice-Chairman of the Tea Board, Mr. B. C. Ghose said :—

These estates came late in their existence and some of them could not develop before the restriction on extension came under Tea Regulation Scheme in 1933. Most of them being proprietary concerns or having been started with insufficient capital, the necessary funds for development were lacking. Some of them had no reserve worth the name and had to depend on borrowing for any development work. Many having ill-equipped factories or old or inefficient machinery and in many cases also inefficient personnel in management could only make tea inferior to the big neighbour of the same district. Having been opened out in lands rejected or not approved by big estates of the locality previously, they had lower rates of production and profit than the neighbouring big estates in normal times. The small estates, however, did not or could not provide most of the amenities for labour with the result that their burden under the Plantation Labour Act will be comparatively higher.

Mr. B. L. Sen's report on marginal gardens in Cachar and Tripura points out the defects in culture and manufacture of tea in the marginal and sub-marginals gardens of Cachar and Tripura, particularly about large percentage of vacancies, want of shade trees, and want of systematic manuring. The report also advocates merger of small contiguous units and granting of certain financial assistance for development.

The Assam Government said :—

“Small uneconomic tea gardens adjacent to each other may become economic units by voluntary amalgamation. Before such amalgamation, proper valuation of each garden is to be made by an expert and the proprietor of each garden may be issued proportionate share of the unit. Where there are no small gardens near an uneconomic small garden it may amalgamate with the nearest big garden, and that big garden may issue proportionate shares to the proprietor of the small garden.”

What is an uneconomic unit ?

46. The problem was related to that of consolidation of estates and small holdings and defining what economic units are. It is argued that costs and yields so much vary according to geographical location that an economic unit on the basis of acreage in one area may not be economic in another. Further, management is a varying factor. Thirdly, the price factor may make an economic into an uneconomic unit and *vice-versa*. If, however, an economic unit was fixed on the basis of yields, instead of acreage, the costs and price vary and thus affect the determination of economic units. An economic unit is, therefore, impossible to define or demarcate. These arguments labour under many misconceptions. The Commission is not a consolidation officer fixing all the economic units for all the regions. It can only lay down certain

principles. If these arguments are applied to the co-operative consolidation schemes in agricultural lands going on in this country for the last quarter of a century and successfully too, then this department of Governments will have to be closed as holdings have different yields and costs, and prices for crops also vary, and the inequalities of management are of greater magnitude in small holdings of other crops. What the Commission is expected to say is whether there are uneconomic estates from the point of view of production. The commission no doubt admits that "to sustain a factory a certain minimum acreage will, however, be necessary". It further says "we estimate that at least 300 acres would be required to feed a tea factory of the smallest size throughout the year". Here one finds a definite principle for finding out an uneconomic estate. Another principle would be the minimum area necessary to meet the cost of a minimum managerial staff. The latter being a fixed charge, an estate should be big enough to meet this expenditure. Also a minimum size for companies or big proprietors is different from a minimum size for small holdings. Evidence clearly indicated the existence of uneconomic companies and proprietors holding about 200 acres but not sufficiently sized to maintain a managerial staff or a factory. The question is whether these units should be degraded as leaf-suppliers to a co-operative processing factory, or upgraded by amalgamation into a properly sized-estate. Schemes of consolidation take it for granted that there are variations in management, costs, yields, and price. Allowing for these variations they bring together uneconomic companies or proprietors on a broad basis. There can be no fixing of a single acreage for the whole country as an economic unit. It will have to be fixed regionally on a broad finding of costs and yields. As regards management, so long as there is private ownership, there will be as many inequalities in managements as there are owners. What one thinks of in grouping under-sized estates is a normal management. And in finding the income which makes a unit economic, the normal price over a series of years is considered. The kind of reasoning in the report will make any progress impossible to create properly-sized estates or small holdings. It is for the consolidation officer to provide for amalgamation considering these variations. Inequalities of costs, yields, prices and management should not condemn the private sector to become a leaf-supplier, leading to varying production and increased costs of supplies and marketing which are inherent in small holders' co-operatives but do not exist in large-sized farms combined with a factory.

Evidence not properly assessed

47. The report says that—

“the idea of compulsory amalgamation of smaller units into larger ones did not evoke enthusiasm when we discussed it with planters in different areas”.

This is contradicted by the evidence extracted in the preceding paras.

Methods of Consolidation

48. The problem of development hinged on the urgent establishment of properly-sized estates which could maintain a factory, and a managerial staff under conditions of a normal price for tea. In their absence, banks will be chary of financing them, suppliers will hesitate to serve them, and production will suffer. Co-operatives may help them but they will lose the present advantage of economy resulting from their being single units for purchase, and sale. Proper preparation for market and grading becomes difficult in small-sized estates. There is no hope for the future of the Indian section of the Tea industry unless the units themselves had a sound structure. In the first place, certain estates will have to be abandoned as unfit for plantation owing to their poor yields. Certain estates may require resting and a long-term treatment. Certain others may be fit to produce leaf on a small holding basis rather than a costly company type of structure. Certain estates may become fit with proper financing for the factory and machinery. Certain estates will need long-term loans to clear past debts. All these will have to be classified as needing separate treatment. Where development is possible by temporary resumption, such estates will have to be taken over. But whatever number of estates could be conveniently amalgamated, either as a company or on a co-operative basis to a size of about 300 to 1,000 acres should be brought together by enacting or extending the existing Consolidation of Holdings Act which is applied to other agricultural lands. Compulsory amalgamation of companies is provided for under the Companies Act in public interest. The future of the Indian section cannot rest on mere voluntary agreement for merger though the report says that "the efficacy of compulsion is very doubtful". The official team report and Mr. Sen's report have recommended merger. The various facilities proposed are inducements for it. But, if, despite such inducements, companies or proprietories did not merge, there was no alternative to the use of compulsion.

Consolidation of small holdings

49. Uneconomic small holdings below 100 acres should also be made economic. Where tea-growers' small holdings could not maintain a family, every help should be given to them to make their holdings economic to the extent possible. What was required was a land development directorate in the Tea Board to plan the schemes for estates suffering under various disabilities, to resume such estates which were not good enough for development, to relieve indebtedness, and to consolidate them. This directorate may need the help of a land development corporation to work under it for taking charge of lands resumed for various reasons. Also uneconomic estates should be given the first preference to expand in any scheme of extended cultivation. Schemes of consolidation will, therefore, comprise, amalgamation of small companies and small proprietors and their factories, and exchange and purchase of lands for making properly sized units. Small uneconomic holdings should also be consolidated. A consolidation officer will have first to attend to the creation of proper units good enough for support by the Government.

Large size Vs. Co-operative

50. A State-partnered co-operative of small and uneconomic holders to manage a processing factory is formed reluctantly as it is unavoidable. If they could pool all their lands, it would be an ideal method for providing for a single management and a large-sized farm and thereby following a uniform technique of production. Production was bound to vary with the unequal capacities of too many managers in the small holders. A large-sized farm has no problem of costs in the distribution of supplies to every small holder, neither has it the problem of keeping separate accounts of marketing of every small holder. The co-operative cannot correct all the deficiencies that exist in the small-holder method of management. It is the next best and an unavoidable alternative to individual small-holder farming. But it will only decrease existing production if companies and proprietors who can easily be made large-sized farms are condemned as leaf-supplying small holders depending on a processing factory.

Prevention of sub-division

51. Two other questions should not be forgotten in any scheme of consolidation. The one is, should sub-division or sale of properly-sized estates be permitted, if they would make them undersized, in the hope that a co-operative of small holders was there to take charge of such subdivided estates ? Or should a limit be prescribed ? As provided for in Consolidation of Holdings Acts a unit of area below which a holding should not be subdivided or sold should be fixed (*vide* also see 86 of the British Agricultural Act which provided for approval by the land commission of splitting of estates below an economic size as a result of subdivision or sale).

Stricter registration of Companies

51A. The Commission has referred to the large number of closures of Indian companies since 1952. This can be minimised if new registrations were not permitted by the Company Law Administration and the Tea Board unless the companies can show a minimum area, adequacy of resources, and soundness of management.

Urgency of personnel

52. The second is, is it proper to propose as a remedy for all ills the co-operative method and rest content with such proposals. The co-operative thrives in countries with a developed sense of citizenship and sound general education. The manager of an agricultural co-operative farming society can work in these countries on the advice of the small holders. But in India the capacities of the small holders will have to be corrected a great deal by the ability and zeal of a paid manager in the co-operative societies. A lakh of acres below 300 acres under Indian management will need about 300 managers at the rate of one for every 300 acres. Before thinking of developing Indian tea production by providing facilities of finance, technical advice, supplies, and sales, priority should be given to a proper recruitment which is more important than training, and training of a minimum managerial staff of co-operatives of small holders to take charge of them.

Training of the lower layer of staff should be given priority over that of the upper layer for the latter may have nobody to whom they may transmit their advice in the absence of a paid staff in co-operatives.

Research and advisory service

53. The following were the defects in the existing research and advisory services. They catered to a superior type of Non-Indian managements which could learn improved practices with the aid of the printed word. A small number in the advisory service will be adequate in their case. Indian managements on the other hand needed drive, direction, and follow-up work by a large number of advisers through personal visits. Further many of them cannot afford to be members of I.T.A. for this purpose as the fee was prohibitive. The Imperial Economic Committee appointed by the U.K., the Dominions, and Ceylon stated

‘The committee considered it impossible for the scientific department to carry out its duty properly unless it had facilities to make experiments and give advice to the districts. It, therefore, recommended the establishment of local advisory officers the cost of which was to be met on acreage basis. Apart from the fact that there is still some lack of contact between the planter in the field and the research workers in the experimental station, etc.....’

These defects still continue. It is no use to expect the Tocklai Research station to reach every producer. Neither can the Government maintain a purely extension service without research stations. While giving every encouragement to Tocklai to expand its service, Government should build a national research station in another region in Assam along with the development research stations in other areas. To achieve co-ordination between Tocklai Research Station and other proposed research stations, there should be interchange in the members of the executive committees of both. It is not fair to ask Non-Indian companies to conduct research and advisory service at their cost for the benefit of our country, nor is it prudent when future expansion will be more and more under Indian hands, nor honourable to rely for tea research alone on the I.T.A. while research in all other Indian industries is conducted by national laboratories.

Depreciation for tea bushes.

54. The Commission has recommended that the levy of a certain sum per lb. to be set apart to cover future replanting charges for existing plants need not apply to weak units if they are not able to meet the charge. As plants have no chance of living longer in weaker units than their normal life of 60 years, someone will have to foot the bill of replanting in the case of such units. The question of weak and strong units does not arise. While every small holding below a certain size may be exempted as their extinction may not materially affect production, every holding which is recognised as a production unit should put by every year the needed sum to meet costs of replanting. When all small holders are brought under co-operatives, the latter may hold the replanting fund on behalf of the former.

FINANCE

Long-term finance.

55. The reorganisation of India units will provide the basic foundation on which to build the industry. The first step after reorganisation should be the provision for replanting in place of the aged bushes. As Indian companies and proprietors have less old bushes to replant as they came later than Non-Indian companies and conserved their profits better as reserves than Non-Indian companies, the need for long-term finance would not be of the same magnitude in their case. Even so they needed more funds than foreign companies for renewal and replacement of plant and machinery. The total needs of the Indian section may be estimated as follows :—

- i. Replanting of pre-1900 bushes. Rs. 6·9 crores.
- ii. Replanting of pre-1900-10 bushes Rs. 4·19 crores.
- iii. Plant and machinery at 50% of the usual investment on them in the Indian section *i. e.*, Rs. 500 per acre for 1,80,000 acres in estates comprising over 300 acres. Rs. 9 crores.

The immediate need would be Rs. 6·9 crores + Rs. 9 crores = Rs. 15·9 and on a phased programme of 5 years, the annual long-term need would amount to about Rs. 4 crores.

Two independent mortgage corporations.

56. Also consolidation of estates will need funds for purpose of land exchange or additional lands. Clearance of past debts will need long-term loans. It was not a case of financing healthy estates working normally. It was a case of rehabilitation. The amount required under various heads will have to be assessed by the inspectorate staff proposed to supervise the improvement of fixed assets. The resources of companies will have to be assessed. The priorities of financial assistance according to the importance of the needs will have to be fixed. If the ailment is normal, a dispensary treating all diseases as the state finance corporation will do. But many Indian estates will need long treatment and individual treatment. If the state finance corporation will survey the needs and resources of every estate, plan the order of credit to be distributed, supervise the purchases of fixed assets, issue loans by instalments, and fix recoveries according to repaying capacity from time to time, it can be relied on to put the Tea industry on a sound basis. But the magnitude of the problem should be realised and faced. The report mentioned in the chapter on research and advisory services that regional committees of producers should help the advisory service in planning and development. How are this planning and development to be integrated with the finance corporation. The question is not a mere sanction of a long-term loan for a well-ordered tea estate with adequate resources but a rehabilitation loan for which security as at present demanded for long term loans may be inadequate. The state finance corporation is not a reconstruction corporation. It finances all industries in the private sector. It cannot diagnose the serious diseases in this industry and arrange for long treatment. As the Minister of Commerce and Industry said at Jaipur recently, "the utmost precautions provided in the legislation defeated the purpose for which the

organisations were created. Legislation made it difficult for the borrower to obtain his requirements except on very stringent conditions". An independent reconstruction mortgage corporation is therefore indispensable one for the north and another for the south.

The evidence summarised in the report said that many companies could not get help from the state finance corporations. They requested the Tea Board to stand guarantee for loans. Many have proposed independent corporations. Some State Governments were not sure whether a state finance corporation would be able to help. If the new corporations proposed had only the same functions as the existing, they would not be of much advantage. The fact, however, that they catered to a single industry would be the supporting argument in their favour. But the problem was rehabilitation of the Indian section suffering from want of individual treatment for planned development. If the Tea Board were in charge of the latter but some other agency was in charge of funds for development, development programmes must suffer. Both should be integrated by organising mortgage corporations under its auspices.

Government guarantee of loans.

57. But whatever agency is in charge of finance, it will always feel a risk in advancing long term loans on insufficient security. The question was one of financing weaker units which might not be able to give full security in addition to the value of the improvement. Guarantee will be needed to cover the difference between the value before and after the improvement, if need be, until the loan is repaid. As in the case of debentures where principal and interest are guaranteed by State Governments in respect of land mortgage banks, some such guarantee will be necessary in the case of the proposed mortgage corporations. Such a guarantee by State Governments has been recommended in the case of mortgage banks by the Gorwala Committee Credit Survey Report. In this case as Tea industry is under the control of the Government of India, the latter will have to guarantee the loans. The Gorwala Committee has also made a recommendation that in respect of mortgages, the law should provide that the titles to them were unambiguously vested in the mortgage banks and that the State Governments should take suitable steps for this purpose including amendment of the relevant law to the extent possible. Such provision will equally be necessary in respect of the proposed mortgage corporations.

Integration of export and crop finance.

58. Export finance was integrated with crop finance. There was no possibility of expansion of the former unless Indian estates are released from their present dependence on foreign banks, brokers and foreign managing agency houses for internal finance. The present policy of expanding overseas export finance by the State Bank will depend for its effective implementation on the supply of adequate current finance for Tea.

Integration of supplies and finance.

59 One important question connected with finance was integration of supplies with finance. Current finance should be distributed as far as possible in kind. The proposed co-operative supply organisation should distribute the requirements of companies and proprietors of estates in kind for the amounts advanced by the State Bank. The State Bank should advance the necessary sums for purchases by this organisation on pledge of the stores and adjust the advances to producers to the stores supplied to them. Also the Government should give a directive to the State Bank to provide adequate finance for every producer.

Security for loans.

60. The report of the Commission says that as mortgages and title deeds to property are taken as collateral securities by commercial banks, companies and proprietors are prevented from taking loans on such securities from the state Finance corporations. This is an unsatisfactory state of affairs in commercial banks. A co-ordinated procedure in the future in taking securities for loans by the State Bank and the state Finance corporation will help them in their transactions but not in reforming commercial banks. According to the Gorwala Committee report "the system proposed by it provides short-term loans on the basis that a crop is anticipated and not primarily that a title exists, relates such loans in amount to the estimated outlay on raising the crop, and as and when the crop is sold, recovers the loans from the proceeds of the sale. The loans should to the maximum extent possible be distributed in kind. Its object is to provide credit on the basis of produce within the extended meaning of credit worthiness. The loan is to be given in instalments and in kind to the maximum extent." The Reserve Bank has powers enough to advise private banks on these matters. The commercial banks should be, therefore, advised by the Reserve Bank to follow sound banking principles and do not take excessive securities. Lending on mortgages may result in over-lending and a false sense of security in the recovery of loans. Lending on crops makes the lender careful in making advances and alert in making recoveries. Land securities may transform banks without their knowledge in case of default into Jaghirdars collecting rents from mortgaged properties which may come unwanted into their possession in forced sales or otherwise.

SUPPLIES AND SERVICES

The Indian managing agencies.

(i) Production costs

61. While the foreign managing agencies or secretaries and treasurers are the central controlling bodies and their companies were practically their branches, the Indian managing agencies came generally later than the Indian companies to share their profits. Very few have sent any replies to the questionnaire on the services done by them to their companies. There are managing agencies which shared the

profits but the companies under them arranged directly for their supplies and services without their aid. Public Limited (Director-controlled) showed more economies and more reserves. Even in 1953 a year when all companies economised as a result of experience from the crisis, Indian companies under managing agencies incurred Rs. 10 more on production costs than Indian Public Limited (Director-controlled) per 100 lbs. or about Rs. 80 per acre.

(ii) *High commission*

The following was the percentage of remuneration to gross profits to managing agents or directors in Indian companies as compared to Public Limited.

TABLE 22.—*The high commission paid to Indian managing agencies*

	1939	1946	1950	1953	1954
Indian companies under Indian managing agencies	19	9.7	15.4	9.6	9.1
Public Limited (Director-controlled)	43	2.4	7.3	2.5	Nil

Managing agencies only increased the costs to Indian companies.

(iii) *Excess expenditure on stores*

Thirdly, Indian companies under managing agencies spent more on purchase of stores than Public Limited.

TABLE. 23—*Stores purchase by Indian managing agencies*

	Percentage of increase in purchases of stores in 1952 over 1950	Percentage of decrease in purchase of stores in 1953 over 1952
Sterling	14	31
Non-Indian under Non-Indian managing agencies	33	40
Indian under Indian managing agencies	58	5
Public Limited (Director-controlled)	13	19

Every type of management purchased stores for a lesser value in 1952 over 1950, than companies under Indian managing agencies. Also while every company decreased its purchases severely in 1953 as compared to 1952, Indian companies under Indian managing agencies decreased them to the least.

The official team report referred to representations of high costs of stores as one of the causes of increased costs of production.

Representatives of a trade union at Jalpaiguri referred to differences in purchases of coal and costs of transport between two gardens in the same area, purchase of machinery to oblige certain manufacturers and earn a commission, but which lay idle in a garden. The West Bengal Cha Smarik Union referred to wasteful expenditure in purchase of stores.

(iv) *Official reports*

Fourthly, the previous reports of enquiry committees made pointed reference to the increased costs of companies under Indian managing agencies.

The managing agencies, according to the Rege Report, are but "avenues for providing lucrative employment to the directors or their relations".

The special officer's report on Cachar referred to the managing agencies in the following words :

"In some Indian concerns also, overhead charges do not seem to be consistent with the profits and losses of the gardens. As a result more money is not available for proper maintenance of the garden.....In one Company-owned Indian garden the manager who is a member of the family owning the majority of shares drew commission at the high rate of 5 per cent. in the year of profit. What I want to emphasize is that there should be some sacrifice on the part of managing agents and directors for improvement of uneconomic gardens."

The cost accounts officer of the Ministry of Finance wrote the following after an examination of the replies submitted by 16 non-profit earning tea estates in Cachar, in the year 1950.

"Although the tea estates may be running at a loss, it is seen that the managing agents' commission on crop goes on increasing. This is because the commission is related to the gross sale proceeds of tea."

(v) *Other evidence*

After referring to wasteful expenditure the labour assessor West Bengal said in his evidence :—

"The managing agencies, at least in Indian concerns at a place, were created at a time, many years after the companies were started, when the tea companies were running on huge profits with the running capital supplied by banks or brokers on crop hypothecation. The managing agencies of concerns, have neither had to invest a single pice at the time of starting of the companies, nor have yet to spend a farthing for the companies. They have neither got to do anything for the

companies except in the capacities of the directors for which they are paid their due fees and remunerations. So we very strongly feel that the managing agency system should be totally abolished."

The Dooars and Terai Tea shareholders' Association in their evidence before the Company Law Committee said :

"In view of the past record of consistent mis-management of the affairs of the Companies by the Managing Agents and their failure to secure finance during the industrial crisis prevailing from the year 1917 down to 1932 for the running of the going Tea concerns and consequent collapse and winding up of several running Tea concerns in the districts of Sylhet, Cachar, Dooars, Terai and Assam, my association would strongly advocate total abolition of Managing Agency system for obvious and practical reasons and that be not feasible all at once, my Association would strongly urge upon Government to consider the desirability of limiting management by Managing Agents to one company only and not more..... The past record of the management of affairs of a number of local Tea Companies by the irremovable block of Managing Agents, will convince even a naked eye how they, boldly ignoring the legitimate criticism and opposition of the non-entity shareholders are systematically committing legalised exploitation with regard to the huge accrued profits of the Company under the garb of Managing Agency management system."

The Commission's report referred to "room for reduction of costs by decreasing the remuneration paid to managing agencies and secretaries", "wasteful expenditure on stores" and "higher costs of production in companies under managing agencies than in Public Limited Indian companies particularly under commission."

This report further said :—

"Remuneration to managing agents partly as a percentage on gross sales and partly as a percentage on gross profits results in substantial payments having to be made as managing agency commission even when profits are low or non-existent as in 1951 and 1952".

But the Commission wanted the system to continue until the proposed supply and marketing co-operatives replaced their services.

(vi) Conclusion

As these extracts of reports and evidence did not show any service rendered by Indian managing agencies but on the other hand indicated more harm than good is being done by them, there is no case for fear whether by their abolition there will be any vacuum in the services rendered and it should wait pending their replacement by

institutions for finance, supplies and sales. Even if there is a vacuum, it can always be filled up by managing agencies acting as secretaries and treasurers. Appointment of secretaries and treasurers would reduce the cost a great deal as they will be getting only a lesser remuneration than managing agents and are barred from taking commission on supplies. As regards Non-Indian managing agency houses, their abolition would only mean the abolition of their companies. They are inseparable, neither could their structure be transformed to Public Limited (Director-controlled) as the latter needed local shareholders and directors for their administration which a Non-Indian company will not be able to get. In the absence of local strength at the roots, a Non-Indian company derived its sustenance from centralised managing agency houses at the top and linked to them by centralised control. Proposals for minimum conditions to be satisfied by Non-Indian companies have been already mentioned. Subject to these the existing managing agency houses should be allowed to continue.

Manures

62. The following was the amount in rupees spent on manures per acre by different managements between 1950 and 1953 per 100 lbs.

TABLE 24.—*Amounts spent on manures*

	Rs.
Sterling	58.42
Non-Indian under Non-Indian managing agencies	52
Indian under Indian managing agencies	43
Public Limited (Director-controlled)	37

Indian companies spent the lowest on manures.

Certain regions as Dooars showed a good yield even when a lower quantity of manure was used. But generally it might be stated as regards other regions that increased expenditure on manure gave increased yields.

The Commission's report made the following statement about manuring and pest control.

"In many of the estates with comparatively low yields, while the amount of manure applied per acre did not compare unfavourably with those used in high-yielding estates, the total proportion of the area manured was comparatively small. Systematic and adequate manuring is one of the most important measures necessary for increasing yields."

"The larger units of the industry are alive to the imperative need of pest control. Some of them carry out pest control measures as a routine measure while the majority adopt them only when the need is felt. The small growers have, however, difficulties in adopting them."

According to the report manuring is a "most important measure" and "pest-control was not a routine practice with a majority". Full finance for crop and supplies through co-operatives would certainly help but would that be sufficient? Failure to replant wasted the main fixed asset of the industry. Failure to manure on the other hand impoverished the soil. If it was necessary to have police powers to enforce replanting and maintenance of machinery in proper order, it was more necessary that such powers should be exercised in the case of adoption of essential cultivation practices such as manuring. Other practices as pest control equally needed enforcement.

State regulation of standards of husbandry

63. Standards of husbandry should be, therefore, supervised. The Commission has already recommended powers to the Tea Board for keeping the fixed assets in a good condition. The same power should be extended for supervision over husbandry and the manufacture of tea. The second five year plan has provided for a proper maintenance of standards of cultivation in agriculture. Farms should be classified, according to the report of the plan, on the basis of quality of management. "The legislation should provide for such measures as warning, direction, and supervision and in the last resort for assumption of management. Sanctions should be provided in the legislation for the fulfilment of certain obligations." According to the British Agricultural Act if notices of good husbandry were not followed after 3 notices, such estates were placed under supervision. The advisory staff thereafter gave directives for a period of 12 months. If these too failed, the Minister in the U.K. had the power to arrange for management of such estates. Referring the Tea bill to the select committee, the Minister for Commerce and Industry said:—

"A majority of members of the committee were, however, of the view that Government should have some powers to deal with estates which are mis-managed over a period of time and recommended that Government should take steps to introduce legislation to that end at an early date."

Considering the urgency of developing the Tea industry, the Tea Board should have the necessary powers of not only compelling standards of maintenance of fixed assets but also of husbandry and tea-making.

Centralised buying of imported machinery and spares

64. A number of companies have referred to difficulties in getting machinery and spares in the following words:—

"The suppliers almost have a monopoly business and almost all of them get their supplies from U.K. Advances are taken with orders sometimes two years ahead of supply and exorbitant costs are charged for the spares..... Arrangements should be made for manufacturing tea garden machineries in the country to eliminate the monopoly business."

"Machinery spares are not always easily obtainable because they have to be imported and local agents do not have sufficient stocks."

“Spare parts of machinery are difficult to get”, etc.

Machinery and spare parts are needed by every tea company or proprietor of estates. So long as they have to be imported, a purchasing agency is necessary. Reliance on private trade is undependable and costly. Where a commodity is indispensable for an industry, has to be imported, is scarce, and required by all the owners, a centralised buying agency is necessary, similar to that of the raw cotton commission in the U.K. working under the cotton centralised Buying Act, 1947 which has a monopoly of imports and sells it at a price ‘to further public interest in all respects’.

Transport

65. A study of the evidence presented before the Lokur Committee and representations during our tours indicated the bottlenecks for Indian concerns in transporting tea from Assam and Dooars. The joint-steamer transport companies which transport tea from Assam and Dooars to Calcutta has a virtual monopoly of transport. This company gives concessional rates (15%) to mostly Non-Indian tea companies to export tea. It also undertakes for them the transport of necessary stores at the same concessional rates when returning from Calcutta. It gives priority of service for certain companies in importing cement. Representations were made to the Commission that cement was available if the house construction was given on contract to Messrs. Balmer Lawrie & Co., and not otherwise. Such discrimination was made possible because of the monopoly transport of the joint-steamer companies. There could be differentiation of rates on the basis of quantities and mileage but not because of long standing business with certain gardens. Again there were no lower rates for shorter distances.

Trade associations always felt that the service of steamer companies was least satisfactory. According to conditions of carriage the company’s liability absolutely ceased when the goods were free of the vessel’s tackle and not exceeding 24 hours after arrival of the goods at the destination and thereupon the goods shall be at the risk for all purposes and in every respect of the shipper or consignee. This condition made it impossible for the shipper to examine the chests and claim damages for damaged chests. The steamer companies should, therefore, be responsible for the safe custody of the cargo till the expiry of the free delivery period.

The companies refuse to give open deliveries in order to escape liability for damages. Cash receipts are not given even when asked by shippers. The pilferage of cargo is high. The companies refuse to issue shortage certificates. They refuse compensation for damages caused to cargo in their custody. They do not observe the principle that the first come should be first served. Even when shippers bring their goods earlier in their own lorries, they are not allowed to unload or load until the companies have cleared the cargo of tea estates under contracts with them in their lorries. Restrictions on booking are not informed in proper time to the companies concerned. Owing to inadequate and irregular service goods remained uncleared for a long time. No priority schedule was followed. Storage facilities were in-

adequate at booking stations, transshipment points and destinations. There was no provision of covered sheds. There were complaints of corruption, incivility and discourteous treatment and lack of amenities. One serious complaint was that the weighing machines in use on the ghats were not reliable. Again there was delay in the issue of steamer receipts. Between delivery of the goods and the issue of steamer receipts there was no acknowledgment to the shipper that he has delivered them. Even when the contents are known, the joint steamer companies issued the receipt with the remark 'said to contain'. Many of these complaints arose from want of contact between the management of the companies and the shippers. There should be an advisory committee in the Tea Board comprising them which could discuss these matters.

Undue preference by the Railway administration is prohibited under section 28 of the Indian Railways Act. Complaints against it can be made in respect of rates and charges before the Railway tribunal. The burden of proving that a lower charge does not amount to an undue preference is laid on the Railway administration. (Sec. 28 and Sec. 41.) The joint steamer transport companies should agree to a provision of this character in respect of complaints of undue preference.

The co-operative type of organisation

66. The Commission has proposed the state partnered co-operative type of organisation for supplies, insurance, marketing, and blending. Co-operatives have not been a success so far in organising economic life. This was because their structure has not been conceived for building an organisation on the broadcast scale for developing collective action and managerial ability among the people for satisfaction of their common economic needs. The faults laid at the door of co-operation are due to its present hybrid-type in which credit is taken by Government where it succeeds as due to its administration, and discredit is shoved on the directors of societies by a specious reasoning that it is a voluntary organisation. The Commission has, therefore, proposed that they should be State-partnered. Government must take the responsibility for the defects in the co-operative organisation. Trained personnel should be provided for management. Audit should be separated from administration. In so far as the Government is responsible, there should be an independent evaluation of the work of departments concerned with co-operation and the State-partnered societies by an outside agency. The co-operatives proposed will be successful only with the modifications here suggested. The defects in co-operatives could be no argument for nationalisation for, a nationalised enterprise has also to recruit its personnel only from the same section of the present society which today administers these institutions. If the latter is not good to supply proper managers for private enterprise either of the company or co-operative type, it cannot succeed too in getting a better personnel for the public sector. Mixed management combining Government representatives and the directors of these institutions and subject to the provision of usual correctives as applied in a democracy namely an independent administrative service, independent audit, and an independent evaluation of the work of the concerned department will help to discover the best possible human resources.

CHAPTER III

LABOUR AND TAXATION

Exemption of small holdings from the minimum wages Act

67. The Commission report is against exempting small holdings from the operation of the Minimum Wage Act. One can understand that, if a minimum wage applied for all labour in the whole country, small holdings of tea alone should not be exempted. The Act itself applied only to 'employment in any plantation that is to say *any estate* which is maintained for the purpose of growing cinchona, rubber, tea or coffee'. A small holding of 10 acres and less is generally worked by a family employing a certain amount of outside labour during the peak season of plucking. It engages its own members and dependents, and neighbours by mutual exchange of labour, and resorts to engaging labour as such only as a last resort. Even the labour engaged has no employee-employer relationship. It should also be noted that in Assam and West Bengal labour engaged should be provided with work for at least six days in a week or paid equivalent wages if the employer could not give work. In Travancore-Cochin the employer has to provide work for all the 365 days in a year. This provision has resulted in labour employed for a few days in small holdings claiming wages for the whole year. Before minimum wage applied, there should be at least a single permanent plantation worker in a holding to whom the Act might apply. The Minimum Wage Act has scheduled the industries to which it could apply. In this schedule the listed industries excepting agriculture were large-sized undertakings where a large number of employees existed. Plantation employment is included because it is generally a large-sized undertaking with an attached factory. Where there was no factory, it was no more than a big or a small farm. It becomes thereby an agricultural industry to which the Agricultural Minimum Wages Act should apply. This Act in many States exempted the small holdings from their operation. It should also be remembered that small holders in the Kangra Valley or the Nilgiris had mixed crops. It would be an anomalous position that they were free to pay any wage for a casual labourer engaged by them for raising potatoes or wheat but a fixed wage for labour engaged for cultivation of tea. The U. P. Government said "the Minimum Wage Act should not be enforced in the case of plucking as all labour had to be mobilised to prevent the hardening of leaf and to pluck in July-August". The Minimum Wage Act too permits the State Governments to exempt certain employees. I am, therefore, unable to agree to the recommendation of the Commission that the Minimum Wage Act should apply to any landed property in which tea was grown.

Priority for negotiations of employers and employees before State intervention

68. One serious defect in the Minimum Wage Act is that responsibility of fixing it is laid on State Governments. Employers and employees are only members of a committee to advise the Government. When Government fixes the minimum wage, it is tantamount to fixing

the expenses of an estate up to 50% which generally form the wage bill. But it carries no responsibility with it of bearing the losses of the concern. The British Agricultural Wages Act puts the responsibility of fixing minimum wage rates on the wage board assisted by county committees. When once representatives of employers and employees knew that they were not to decide the wages but somebody else, there would be no spirit of compromise but they would rely on Government to issue the wage notification. The right of intervention of Government should be restricted to the minimum to be exercised only when a certain percentage of representatives of both the groups are unable to agree. It is one thing to interfere reluctantly and unavoidably and another to be endowed with powers to issue notifications of wages giving only an advisory place to the parties who alone are concerned with the fixing of a proper wage.

The annual guaranteed wage

69. The report of the Commission says that the enforcement of a statutory responsibility on the employer to pay wages (in Travancore for 365 days and in Assam and Bengal for a week) provides 'some security of tenure'. The effect on the employer of guarantee of a week's employment is little but the Travancore notification put the responsibility on the employer to provide work. The question was not why the employer should not do it but whether it was wise to ask him to provide 'some' work. Any work should be planned and be useful to the country. It cannot be 'some work'. The provision in Travancore meant that the employer should relieve unemployment in seasonal industries. This is no doubt proper so long as labour has been specifically recruited to high ranges where no outside employment was available. But conditions are not so in all regions. An annual wage meant that the employer could not terminate the employment. The employer's point of view was that "no industry can pay for work not performed or for work which brings no benefit to the property". Further there was the provision for lay-off and retrenchment compensation. The principle of an annual wage raised a host of problems. It was not enforced in any other industry. The reason behind it was want of employment in the slack season. This should be properly studied and planned, so that costs in Tea industry might be reduced, and capital might not be frightened. When an industry was unable to continue, it should have the right to close. A high cost-structure by enforcing payment of wages when there was no work would only lead to high costs for tea and consumer resistance. There is no need for an annual guaranteed wage and employment only in the State of Travancore-Cochin. If good, it should be extended to all industries and other States. If bad, it should be repealed. One bad result of this provision on the employer has already been to reduce permanent labour and employ more temporary labour, just to avoid the annual guaranteed wage.

Causes for strained relations in plantation industries

70. The special features of the Tea industry which created strained relations were the following. Other industries did not belong to half a dozen managing companies enforcing restriction of production and

raising the level of prices and realising high profits which in turn aroused labour and staff to agitate for a share of profits. The inequalities were also accentuated in Non-Indian concerns by the high cost managerial structure. Labour had a closer contact with employers as they lived as communities in the premises of the industry and needed special amenities. Dangers of friction were greater than in other industries in which labour did not look up to employers so much for their living conditions. Another cause of strained relations was the existence of a large number of weak units which could not afford to meet statutory labour costs enforced by legislation. These units have come into being because of the shelter of international tea agreements and war prices, absence of strict scrutiny in their registration as companies, difficulty in stopping production in exhausted areas for fear of dispossession of labour, varying high costs and low yields due to natural factors, and purchase of estates at excessive price with borrowed sums at high interest rates etc. The geographical location of some estates gave an advantage to them over certain others and helped in giving better conditions for labour. This too had its reactions on the industrial relations in smaller estates with poor yields. These conditions too could not be said to exist in other industries. I am, therefore, unable to agree with the conclusions of the commission that these factors existed in other industries too and there was nothing special about Tea.

LABOUR WELFARE

Integration of medical relief with general insurance

71. The Prime Minister said at the meeting of the Standing Committee of the National Development Council on January 7, 1956 :

“If we spend half the money that we give by way of higher wages for social amenities of that character, it will be much more satisfactory than merely giving an increase of five or ten rupees. It will cost the State less. Therefore, we should really think in terms of greater amenities.”

In making provision for amenities, they should be brought under general schemes of social insurance for which ample provision existed today in the Employees' State Insurance Act. The federation of plantation workers, Coimbatore represented that—

“the Workmen's Compensation Act should be superseded very soon by extending the Employees' State Insurance Scheme. The present medical facilities are generally unsatisfactory. If the Employees' State Insurance Scheme is introduced, the maternity benefit will become real and effective”.

The I.L.O. Plantation Committee also said in its report IV, 1953 :

“Inclusion of plantation in general schemes of social insurance would appear from such data as are available to be less costly than either special schemes for certain crops or provident funds.”

Commending general social insurance schemes in preference to individual welfare schemes for each unit in an industry, the Taxation Enquiry Commission report said :—

“Social security contributions related to benefits could in part be a variant of the direct taxation of small incomes. As collections would be larger than benefit expenditures in the initial years while the schemes continue to expand, the net receipts could form a useful addition to the resources available for development purposes. A beginning has already been made in India in this direction in the Employees’ State Insurance Scheme and the Employees’ Provident Fund Scheme.” (P. 163, Vol. I.)

If every industry is to have its own schemes of welfare, economic and efficient services possible through the Employees’ State Insurance Act will not be available to labour. The corporation under this Act can enter into agreement with State Governments in regard to the nature and scale of medical treatment including provision of buildings, equipment, medicine and staff and for the sharing of the cost (Sec. 58-3). Also the report of the Second Five-Year Plan referred to the need of pooling of welfare funds of industries and recommended that its possibilities should be considered (p. 174). Any scheme of welfare should be integrated with schemes of general insurance.

This policy is unavoidable in the case of medical relief for various reasons. There were a number of non-working dependents in labour families for whom the latter had to play the involuntary host according to existing social customs. These have to be provided for with medical relief. Secondly, there were tea gardens which were not economic units for running a garden hospital. Thirdly, in a majority of areas there was a local population which needed medical relief. Fourthly, hospitals for advanced treatment are atleast the part-responsibility of the State. Fifthly, the policy should be to release labour from its subjection to the employer for essential amenities. And if the Plantation Labour Act was the consequence of indifference of employers to medical relief, etc., there was no reason in again saddling them with such responsibility not only for their own labour, but labour of other gardens too. Sixthly, when hospitals which are the responsibility of State Governments either partly or wholly are provided by employers, their fixed equipments as buildings, etc., form part of the fixed assets of the concerned company and the share capital in relation to these assets will have to be paid a portion of the profits as for other assets. This is a case of vicarious holding of assets. Its consequence will be a gratuitous addition to dividends and a *pari passu* reduction of profits to labour and management and an increase in costs to the consumer. What are legitimate fixed assets will have to be enumerated. The second corollary, therefore, is that State Governments will have to run the hospitals and get a contribution from the corporation working under the State Employees’ Insurance Act or *vice versa*. Where gardens are large enough to maintain a hospital, they should get a rebate from this corporation.

This procedure would avoid the criticism of a levy of any hidden type of special taxation on the employer by asking him to run a hospital or a school, etc. Labour too will be trained in discharging its civic responsibility of making its contribution to social services.

NOTE.—It is also uneconomic to build hospitals lasting for many years, in periods of rising national incomes. As in Norway the national income rose in 50 years, fourfold, a writer in the International Labour Review (LXXI—5—May 1955) said:

“It would be economically reasonable not to aim at building hospitals to last for many years for this involves the consumption of much more labour and materials than are directly required to provide the necessary number of beds. Of course if the hospital lasts longer, the cost can be spread over a correspondingly longer period; but if the recent sharp rise in the national income may be expected to continue, it will be more appropriate to reduce the strain on present-day resources by keeping down the immediate cost of the hospital and building another somewhat earlier than would otherwise be necessary”.

This sound advice has a relevancy to our country whose *per capita* national income, according to the Planning Commission would rise by 30% between 1951 and 1961.

The proposed welfare organisation too might undertake medical relief where the corporation and State Governments find it more economical to do so. This is done at present by the mines welfare organisation. The Labour Year Book, 1953 said :

“In smaller coal fields where the number of workers employed does not justify the setting up of separate hospitals the coal mines welfare organisation endeavours to improve existing facilities as building maternity blocks as adjuncts to Government hospitals.”

This is a more acceptable procedure for medical relief than putting small gardens at the mercy of larger ones. Also the coal mines welfare organisation built and managed central and regional hospitals.

Housing

72. As regards housing, sound policies have been laid down in the 1st and 2nd Five-Year Plans and they should be followed. They are the following :

(a) A housing policy should be designed “to provide houses to persons in low income group at rents they can afford”.

(b) ‘Much can be done to stimulate housing activity without impinging too heavily on the limited resources available to the State for expenditure on development’. (Second Plan—P. 157.)

(c) Where houses are built with the aid of loans and subsidies from the Government, ‘we do not propose that the employers *should have the absolute right of ownership* in these houses. We suggest that the management of these houses should vest in a committee consisting of the representatives of the employer and employees concerned together with a chairman nominated by the State Government’. (First Five Year Plan—P. 602.)

(d) Priorities as to welfare work (housing, education and health) on plantations expected of the employers should be decided on regional basis. (First Five Year Plan---P. 589.) These principles should be borne in mind in any scheme of housing welfare.

The cost of a house is Rs. 2,000. Its annual value equivalent to the sum of the sinking fund for return of the principal and interest charges amounted to Rs. 180. The monthly rent if paid will amount to Rs. 15. The family of a labourer comprising 2 adult equivalents of workers earns about Rs. 60 a month. The rent amounts to 25% of the wage or salary. The first question is whether the industry can afford on housing an investment whose annual value was Rs. 180. On the basis that an acre yielding 800 lbs. required atleast one worker and 2 workers occupied a house, it would cost 1.8 annas per lb. to provide a free house. From the industry's point of view this excess charge is unthinkable. The one person who is interested in this investment is the employer as he can thereby enormously add to his fixed assets, increase his share capital to this extent, and get a high dividend on it. Labour on the other hand would be satisfied with a *kutchra* house and will be grateful for a higher wage equal to the excess annual value of a *pucca* house. Also look at the consequences of a phased programme. One-twelfth of the labourers would have to wait for the 12th year to get their houses. This would unnecessarily cause strained industrial relations. There is another question. A house is not legally a free amenity. The Plantation Labour Act permits the collection of rent. While all land legislation is directed to release labour from the thralldom to the land owner regarding ownership of houses, the present Act puts labour at the mercy of the employer by taking away his right to occupy a house and pay rent. Further, even if an employer gives a house free, it lowers the moral stature and self-respect of a labourer when he does not pay for the local rate on it like other tenants of houses for civic amenities to a local board. As the First Five-Year-Plan proposed, a worker should pay 10% of his wages as rent which would amount to about Rs. 3 per month. Lest this may become a liability on labour, an addition to the wage to this extent may be given to it. But to drive home the civic responsibility to every citizen which cannot brook any delay in a democracy in the process of building, the privilege of labour to pay rent and be free from any obligation to the employer in this respect should be recognised and given effect to. The best way out of the situation would be to ask employers to provide cheap houses for which labour can afford to pay rent, to increase the wages of labour equivalent to the sum of rent, to collect a rent from labour, to vest the ownership of houses in the proposed welfare organisation, and provide for a labour committee under its supervision for their maintenance and upkeep at the cost of labour.

Education

73. Education is another amenity. Since 1948 employment of children below 12 was discontinued as a result of a tripartite agreement in 1948. According to the results of an enquiry in Assam in 1951,

54% of the children employed in European-owned estates and 63% of those employed in Indian-owned estates were between the ages of 12 and 14.

The draft outline of the Second Five-Year-Plan says, "it is essential that despite limitations of resources every effort should be made to implement in the course of the next 10 years the directive of the Constitution relating to free and compulsory education up to the age of 14 years". To carry out this proposal, parents whose children supplement their earnings should get an additional wage to compensate for the loss resulting from withdrawing the children from their present occupations. The draft plan has further recommended certain other measures for reducing costs of education. It says, "economies would be sought by way of reducing public expenditure on buildings". It further recommends a cess to be collected from the local communities so that "the responsibility and initiative of local committees would be specially stressed and the people will know that whatever they contribute will be used for their benefit". Any welfare schemes of education should take note of these wise suggestions and train labour to pay the educational cess like other citizens. The proposed welfare organisation should be in charge of education and utilise labour committees for supervision.

Other amenities

73-A. The other amenities may be divided into two kinds, those which are civic services and those which relate to provision of decent working conditions for labour. The civic services are water-supply, sanitation, lighting, roads and lay-outs in the housing areas. Labour should pay a rate like other citizens and be responsible for these services under the supervision of the proposed welfare organisation. The employers should contribute to capital expenditure. As regards the provision of better working conditions, employers should be responsible to provide them and should associate labour in their administration (creches, canteens, etc.).

Principles of Welfare

74. In whatever manner labour welfare is organised, it should be based on the following principles :

- (a) Labour welfare should form part of the various services under the Employees' State Insurance Act.
- (b) State Governments are responsible for health, medical relief and education.
- (c) Employers should contribute funds towards capital expenditure for medical relief, housing, water supply, roads and lay-outs and schools. They should also contribute towards the recurring expenditure on primary medical relief in respect of their labour force.
- (d) Labour should pay house rent and rates for civic services.

- (e) The proposed welfare organisation should own all constructions and be responsible for welfare working in co-ordination with the State Employees Insurance Corporation and State Governments.
- (f) As a house is earned with a rise in individual incomes, no employer and no State can afford to invest long-term capital in housing in priority to other investments which increase production. Neither the housing cost should exceed what labour can afford to pay as rent.
- (g) Where the State takes the services of the employer to manage hospitals and schools, it should give an adequate rebate to them to meet the expenses.

Pooling of risks in provident funds

75. Two other points also need mention. Provident fund schemes cannot pool risks. They should, therefore, be made part of life insurance schemes.

A single wage and free amenities

76. The employer pays for the dependents of a worker when a minimum wage is fixed for the latter. He pays also for the midday feeding including milk for children uptill the age of six. This additional cost is justified but should be duly taken note of when considering fixing of wages. Amenities are of two kinds, those for which labour should not lose the right to pay, and those which should be free. In the case of the former, the wage should be increased. To quote the Minister of Commerce and Industry "the frills in the present wage structures were cut out the better and an all-inclusive wage arrived at, which will satisfy the present needs of the plantation worker".

Taxation

LOCAL RATES

76-A. The plantation industry suffered under a double tax when it had to meet the costs of sanitation and civic services, education and medical relief and also pay the local rates not only on their behalf but on behalf of labour and staff. The I.L.O. Plantation Committee Report, 1953 said :

"Social services on the estates should be integrated with general social services and the estates should not be burdened by a hidden type of special taxation."

Local rates and cesses vary from State to State and should not be levied on estates which paid the welfare rate to the proposed welfare organisation.

Replanting as revenue expenditure

It should be made clear that replanting charges which are not merely withdrawals from the proposed replanting fund to be created but incurred from the other funds of a company to clear arrears of

replanting should also be treated as revenue expenditure. Income-tax relief in regard to replanting expenditure will not be adequate if restricted to withdrawals from the proposed replanting fund.

Agricultural income-tax

The following recommendation of the Taxation Enquiry Commission should also be borne in mind in implementing the recommendation of the Commission on this subject :

“The eventual object of policy should be to eliminate the distinction between agricultural income and non-agricultural income for purposes of taxation. As the first step in this direction we recommend the adoption by all States of a system of surcharges on agricultural income-tax, on the basis of the assessee's non-agricultural income if any.”

Revaluation

Revaluation of assets proposed by the Commission to be approved by the Tea Board should not in any way affect the powers of the income-tax officers to allow depreciation or levy income-tax. Revaluation from the point of view of taxation will have to be approved by income-tax officers. The disinterested character of audit will be lost when done by a staff of a board comprising representatives of companies whose revaluation is to be certified. Government may be, therefore, requested to arrange for revaluation either by the Central Board of Revenue or Company Law Administration or Controller of Capital Issues in extremely exceptional cases where it is found that the low value of fixed assets is due to their purchase in very early years and required re-adjustment to current money values. In conformity with the finding of the commission that share capital augmented by adding the excess value of revaluation to it results in share capital ‘having little relationship with actual investment’, such excess value should not be adjusted as bonus shares but only kept as reserves due to revaluation.

Plantation Labour Act—unworkable

76-B. After a study of finances the Commission report comes to the following conclusion about the availability of funds for implementing the Plantation Labour Act :

“On the basis of profits of 1950 to 1953 the net addition to internal resources per year would be Rs. 50.63 per acre. Capital expenditure under the Plantation Labour Act would amount to Rs. 1-5-2 and Rs. 1-2-3 per lb. for North and South India respectively..... The recurring expenditure amounted to 3 annas per lb. The availability of funds for the implementation of the Plantation Labour Act will have to be considered along with the availability of funds for replanting and other reserve funds and for necessary finance for implementing other recommendations by us. Other important

factors will be the burden of additional taxation if any on this industry and the competitive position of Indian tea in international markets."

The Commission report thereafter points out the lower labour costs in other countries. The Commission has already indicated that the sum for future replanting reserve alone would be about Rs. 50 per acre at the rate of 1 anna per lb. There are arrears of replanting to be cleared in about 40% of tea stands in the Non-Indian sector. It should be noted also that the calculation of Rs. 50.63 per acre as net addition to internal resources included the higher profits of Indian companies. The Commission report also quotes the Prime Minister's statement that—

"housing is terribly expensive and in Germany people continued to live in bad houses but built up their factories." It agrees with Dr. Lloyd Jones that "what is required is not so much large specialist hospitals as measures that would help in securing for the workers efficient sanitation and a balanced diet, etc.". The report, however, concludes that 'this is rather a limited amount and this fact will have to be taken into consideration in phasing the implementation of the Labour Act'.

Is the amount 'limited' or nil? How then to phase a programme on the basis of a cipher? The Commission should either have suggested the resources or said that there could be no statutory enforcement of incurring of capital expenditure. At the same time it should have insisted on the provision of necessary minimum expenditure on amenities for which State Governments, employers and labour should contribute. The proposed welfare organisation should start with a levy not below one anna and not exceeding 2 annas for meeting recurring expenditure. It should be varied regionally by grouping estates of more or less uniform profits.

CHAPTER IV

EXPANSION AND DEVELOPMENTS

A Producer—combination

77. The object of the International Tea Agreement was to get a fair price for the producer by regulating supplies to demand. It looked at production not from the point of view of selling at the cheapest possible price for the consumer but at the highest price which will not stand in the way of selling their restricted production.

“World absorption of tea might have been greater had tea prices been lower but they were moderate as were profits in comparison with 1920. International regulation of Tea industry meant restriction of supplies, higher tea prices, and improved profits to producers.” (Tea under international agreement—Vickizer.)

This control over production was possible because of the producer-combinations in exporting countries.

“The concentration of financial interests in two advanced countries, the heavy concentration of commercial production in a relatively limited area under British and Dutch domination, and the existence of a relatively few strong growers’ organisations greatly facilitate agreements upon the regulation of trade. Likewise the concentration of buyers in London tends to make the marketing of tea a matter of more or less direct dealing between strongly organised producer interests and powerful combinations reflecting consumer interests if not representing the ultimate consumer” (*ibid* p. 13).

Agreement forgot about replanting needs

78. The tea bush being a wasting asset required provision for replanting so that every aged bush might be automatically replaced when it yielded low and was uprooted. As its age was about 60, one-sixtieth of the planted acreage or $1\frac{1}{6}\%$ of the tea area, required annual replanting for maintaining its life and usefulness. The International Tea Committee did not permit in their agreements any increase in acreage between 1933-48 except to the extent of $\frac{1}{2}\%$ annually of the existing planted area and that too only ‘where the existence of a tea-estate would otherwise be imperilled’. It was only in 1948-50 agreement that extension was allowed up to 2% of permissible acreage and replacements ‘accompanied by simultaneous uprooting’ of old tea by 5%. In 1950-55 agreement, extensions were allowed up to 5% and replacements to 10%.

The consequence

79. These agreements in their anxiety to restrict production provided for replacement only from 1948 onwards, thereby creating a serious situation for countries as India, where the tea areas were very old and contained old bushes. They thought less over a long term policy and what would happen to production when whole estates would need uprooting owing to the age of bushes. It was only as late as 1946

the Tea agreement review recognised that 'limitations on new planting cannot be continued indefinitely'.

During this period between 1933 and 1948 bushes planted before 1885 and up to 1900 had no chance of being renewed, for want of replanting provision and these old bushes have accumulated as a problem of the present managements, estimated as 40% of total existing tea stands. On the assumption that a 3% rate of replacement per year which was an unexceptionally high rate was followed by all estates, and making allowance for units with less resources it would take 50 years to clear these arrears.

"It is doubtful if the industry can afford to take such a long period for rejuvenation and it is quite possible that a sudden collapse of production will happen some day before the planters find it out or the Government." (Is tea a cottage industry? Indian Finance 1955.)

Further restrictions

80. The International Tea Committee no doubt helped to maintain price and profits in the industry by control of production but it failed to foresee the needs of future demand. And when the agreement allowed replacements from 1948 onwards, there have been years of fall in prices. Also the costs of replacement have more than doubled. The agreement prevented replacements just in a period (1933-1948) when they could have been easily done at little cost. It is often argued that the acreage permitted for expansion under the agreement has not been developed. But this permission came only recently and at a time when costs have gone high and prices also fell for two years.

Secondly, internal expansion was restricted from 1938 onwards except to meet needs of local consumption. This policy was followed in order to prevent an excess supply resulting in the sale of export tea at a low price. The agreement of 1938-43 said :

"If production of tea in any of the producing countries is greatly in excess of the amount which it is entitled to export plus its requirements for local consumption, such country shall without delay take all such steps as it may deem necessary to restrict such excess production."

As the object of the agreement was to assist export sales, internal consumption was not thought of at all. This restriction, therefore, resulted in limiting production just for exports.

The whole object of the agreement was to restrict production and export and thereby stabilise prices. What was a desirable object for producers was not so for consumers. Though the agreement provided for promoting measures for expanding markets, it paid less attention to it. As a result even this controlled production became a surplus. The special review of the International Tea Committee in 1943 said that the excess productive capacity has increased by 215 million lbs.

"The system of regulation carried through to plantations had not in a period of 16 years or more been fully successful in readjusting productive capacity" (*ibid* Vickizer).

Results of restrictionism

81. The consequences of the agreement have been the following:—

- (i) It kept in production the inefficient and the efficient but high-cost producer.
- (ii) Rising prices discouraged consumption.
- (iii) The high price stimulated production and marketing organisations to produce more tea in those countries which did not join the agreement.
- (iv) It induced every country that joined in the agreement to urge for an extension of its acreage if it was to continue in the agreement.
- (v) Restriction of output increased fixed costs under certain conditions.

Growth of production

82. The monthly bulletin of statistics of International Tea Committee gave the following figures of production.

TABLE 25.—*Production increase during 1930-1949.*

		(In Million lbs.)			
		1930-34	1935-39	1940-44	1945-49
North India and Pakistan	. . .	336.8	348.4	422.2	491.0
South India	. . .	59.2	70.7	89.9	96.8
TOTAL	.	396.0	419.1	512.1	587.8

The rise in production from 1935 was only 40%.

Reduction in world consumption

83. Restriction in production has helped profits, increased costs, and raised the prices but it has also resulted in consumption not keeping pace with population.

“Indeed the remarkable thing about tea consumption in importing countries is that for the past 40 years *per capita* consumption has not only failed to rise but has actually declined. The U. K. remains the chief market for tea but *per capita* consumption has been lower than pre-war and the U.K.’s percentage share in total world imports has declined slightly. Consumption has not kept pace with population increase during the last 10-15 years in the other large consuming countries of the Commonwealth notably in Canada. The same situation prevails in the U.S. In all these countries and especially in the U.S. and Canada there has been very strong competition from other beverages.....The decline in the Netherlands *per capita* consumption to 60% of pre-war is attributed largely to economy habits. No expansion in consumption is noticeable in Southern European countries. World population outside Asia has increased 42% since 1903-13 but tea consumption in importing countries (except Asia and the

major producing countries) increased by only 11%. Either there has been a genuine change in taste or tea-producing countries have made little or no effort to strengthen consumer acceptance of their product." (F.A.O. Tea 1953.)

Government's new policy

84. Recent liberalisations of export tea by the Government of India coupled with competition of countries outside those in the international agreement are, however, slowly increasing world consumption and steadying the price to a fair level.

Reaction on Indian consumption

85. What has been the result of the restrictionist policy of the producer-combine in India on India consumption?

One feature of the producer-combine was that it was mainly interested in catering to the Western markets.

"Development of the Indian industry was by European interests chiefly concerned with exploiting western markets. Price for tea until 1930's tended to remain beyond the reach of the masses." (Coffee, Tea, and Cocoa—p. 234).

By 1949 the prices have soared up so high that J. Thomas in their season report said:

"By and large tea of the pre-war standard could not be produced except at a price which would lift it out of the twice or three times every day drink of the common man almost to the level of a luxury."

At present the prices have further gone up. These producer-combines cannot afford to sell their tea at a price which the Indian consumer can pay except second grade teas which remained with them as remnants after export of the quality-tea to U.K. markets.

"If profits come to be dependent in any considerable measure on the lower purchasing power of Asiatic people future progress may be somewhat limited". (Vickizer.)

But profits are bound to go down.

"In a country with a low standard of living, very high rates of profits are not possible in any industry, much less in a consumer industry because the moment rates are raised and high profits are charged the demand will drop." (Minister for Commerce and Industry, Calcutta, Associated Chambers of Commerce Annual Meeting, Dec. 12, 1955.)

Struggle of Indian consumption

86. Despite rising prices, on the other hand Indian consumption has been irrepressible. According to the I.T.C. the following were 'very approximate' figures of Indian consumption.

TABLE 26.—*Increase in consumption*

(In million lbs.)		
1931	1946	Difference
58.1	165.0	113.2

Annual average increase—7·5 million lbs.

Between 1952 and 1954 the Central Tea Board estimated increase in consumption as 10 million lbs. every year. The F.A.O. commodity report said :

“The greatest increase in consumption has taken place in Egypt, Union of South Africa, other African territories and especially in India. In Egypt *per capita* consumption has almost doubled. Studies by the I.T.C. in Co-operation with Central Tea Board show average consumption during 1944-46 in the Indian Union and Pakistan at 68,000 tons as compared with 41,000 tons in 1937-39”.

The following extracts will indicate the need for production to catch up with the demand.

Speaking at the American Tea Convention in West Virginia (Tea and Rubber Mail, September 22, 1955), Mr. L. E. Gray, Senior Director of Brooke Bond & Company said :

“The need in India is for cheap tea to be made available to 350 million people. It is going to be a close race between the improved standard of living of these 350 million people and the expansion of Indian tea production. I would not like to bet on the result but taking the long view we can be reasonably certain that there is little likelihood of tea being produced in excess of demand.”

The South Indian tea brokers, Messrs. Forbes, Ewart and Figgis Limited, wrote in their latest annual review :

“Consumption in India is increasing rapidly and at a far greater pace than the increase in production of tea. India now consumes nearly 30 per cent of its production—how long will it be before 50% or more is consumed? Will production catch up with this increase? Not unless drastic and immediate action is taken to plant new areas of a considerable acreage. If this is not done, the amount of Indian tea available for sale to export markets will yearly diminish with a corresponding falling-off in India's foreign trade balances.”

But Indian consumption is struggling against high prices for dust tea. An experienced planter wrote (Tea and Rubber Mail 17-3-1955):

“The growing popularity of this beverage among India's population is obvious when we consider that within the last quarter of a century dusts and plainer grades could hardly be sold at the then prices of 3 to 4 as. a lb. whereas these are now eagerly bought in the internal market at two to three rupees, an increase in local demand which is growing elsewhere.”

M/s. J. Thomas' latest report for March, 1956 said about increasing Indian consumption that 187 millions have been already absorbed in 1955-56.

“with the possibility that a sizeable portion of the remaining teas available for sale may still be taken up by the internal markets. As far as is known no unusually large stocks of teas

are held in buyers' godowns and the lower prices ruling during the past six months seem to have been largely responsible for the increase in the rate of consumption and sale of tea in India. This is a very noteworthy feature and one of the most important factors which have lent strength to the market in recent weeks.....The internal consumption may temporarily fall if the prices were again to rise too high but in the long run the internal market will always serve as a great insurance against any sudden slump in prices."

Concentration in the sale of packaged tea in the hands of two companies in India prevented competition among retailers and consequently expansion of Indian consumption. The Commission's proposals for a cheap tea scheme will quicken Indian consumption. The increase in the national income and growth of industrial towns will further add to it.

An appraisal

87. The International tea restriction schemes and the producer-combines in India have achieved their object in maintaining a high cost-profit structure at a high price for tea. The fall of Sumatra and Java in 1942 resulted in decline in production and minimised the need for control. These restriction schemes forgot that tea was a branch of forestry and every aged tree should be continuously replaced by young plants if the forest was to continue to live and if the industry was not to become extinct. Secondly, propaganda for expansion of consumption did not get as much attention in the outside markets, as it should. This created a problem of excess productive capacity which was inherent in a leaf industry despite restriction of area and exports. In the restricted area itself a certain increase in production was interconnected with improved practices.

Thirdly, one consequence of a programme of replanting will be a loss in production arising from the uprooting of old bushes. It will not be practicable to permit extensions in new lands, keeping the old bushes until the young plants come of age in the new extensions. An urgent programme of replanting is imperative. That will bring about reduced production as a result of simultaneous uprooting of old bushes.

At the same time consumption in outside markets and in India is increasing in consequence of promotion efforts through tea councils in foreign countries and internal propaganda and other causes.

Restriction vs. demand expansion

88. The problem is how is production going to catch up with the demand? Is restriction of production without any policy of promotion of consumption, or expansion of demand coupled with a policy of eliminating weaker units, which is a better alternative?

Recent labour laws have increased the number of items of fixed costs which have to be incurred irrespective of production. Neither crop restriction meant an improvement in the quality of tea. Production of quality tea may result in the former, but not every crop restriction scheme would lead to quality tea. For making quality tea labour had

to wait after each plucking round until the new flush came. It will have to be paid all the same. Many estates may not be able to afford this cost. Crop restriction up to a certain limit may not significantly increase costs but there are certain fixed overhead costs which are unalterable, the managerial, the staff and labour costs. Big estates have facilities to practice crop restriction by resting the areas where bushes have been overworked and enforcing quality plucking but not all. Where crop restriction results in maintenance of idle capacity of the men and the factory, costs naturally increase. A producer association always adopts the more popular method of getting a better price rather than making itself unpopular by insisting on efficiency and economies. Still more so, an association comprising a majority of members incurring high overhead costs. The better alternative would be reduction in the number of uneconomic units which Government will have to enforce coupled with a policy of expanding the demand. The latter has always been the Indian point of view as will be evident from the following extract on Tea industry in 1954 in the annual number of Planting and Commerce (page 20).

“Tea over 4 to 8 times the pre-war price indicates not merely a strong preference but also a large income to buy it with. What is true for Britain is also true for other countries and particularly for India which is the biggest competitor for the tea produced in this country. *The experiment of controlling supply by voluntary cut in production adopted by North Indian gardens and their inability to increase production in response to demand in 1954 show up the limitations of regulative control.* On such evidence as 1954 has produced the trade may consider it safe to buy at two or three shillings lower than at peak prices and the producer may find it profitable to expand production at that price.”

This meant that under existing costs export tea might be purchased in Calcutta auction at about Rs. 2 instead of about Rs. 3/6/- in 1954. Producers too might find this a fair price.

Estimate of Indian demand

89. Even an under-estimate of Indian demand must put the increase in demand at 10 million lbs. per year. The following statement indicates how this demand can be met.

TABLE 27.—*Estimate of Indian demand and production*

	(In Million lbs.)			
	1956-60	1961-65	1966-70	1970-75
Increase in consumption	50	100	150	200
Add 10 per cent net increase in production as a result of development of small holdings and amalgamation of uneconomic units after abandoning marginal areas for 3 lakhs of acres at 800 lbs. an acre	25	25	25	25
If replanting of pre-1910 bushes at 20,000 acres a year for 15 years is under taken loss by replanting at 300 lbs. an acre.	30	30	30	...
Increase in production by replanting (800 lbs. and acre)	nil	80	160	240
Deficit	minus 55	minus 25	minus 5	plus 65

Problem of increased production

90. Production increase has to take note of a number of factors. Certain estates need resting. Some being marginal will have to be abandoned. Some may go out being small units which cannot stand higher costs. Quality plucking in some will decrease the yields. It should also be remembered that big estates have reached maximum production and would not like to increase it further. Some increase will also come by the proposed schemes of encouragement of small holders. The statement, therefore, provides for a 10 per cent increase in production on 3 lakhs of acres yielding 800 lbs. an acre.

Also the first result of replanting by uprooting old bushes will be a loss in production.

Replanting was imperative. A provision of 20,000 acres is made for each year for 15 years in order to replant 3 lakhs of acres. Replanting costs have gone up. Every investor will think twice before commencing replanting. It costs Rs. 2,500 per acre. An acre gave a return of Rs. 50 to Rs. 100 at present on the basis of the average dividend paid in companies between 1950 and 1953. It will have to be doubled even if a return of 4% is to be available. The new replantings should at least get this return. Government will have to provide long term loans for very long periods at an extremely favourable rate of interest for replanting.

Supplying vacancies is not a good method of replanting.

“Results achieved in past years do not as a rule indicate that supplying can be regarded as a satisfactory alternative to replanting and in fact records show that many of the poorest fields on some estates have been completely replanted several times over in the last few years by means of supplies. Obviously, therefore, supplying on a large scale in old tea has its limitations, and for this and other reasons it would be logical to suggest that it is carefully integrated with a (long-term) replanting programme; in fact, this means that the supplying of new clearings should always have first priority, while next on the list of priorities should come the more vigorous fields, with a long useful life in front of them. Ignoring this policy in the past has largely contributed towards the making of these poor areas and one can only hope that the vicious cycle will not be allowed to set in again.” (T.E. Walter—Tea Research Institute Quarterly, Ceylon.)

NOTE:—“Ceylon which achieved a new high record of 380 million lbs. in 1955 could reach 452 million lbs. by 1972 provided 5,750 acres were annually replanted with high yielding material over the next ten years.” (Tea and Rubber Mail, February 9, 1955.)

Large areas will have, therefore, to be uprooted and replanted or newly cleared and replanted. In the case of units with little resources, they will have to be permitted to retain the existing old bushes and expand in new clearings. Extension should be permitted in the case of such units.

Table 27 indicated a deficit ranging between 25 and 55 million lbs. a year during the next 10 years. The deficit of 55 million lbs. in the first period cannot be met at all except by coarse plucking. The deficit in the succeeding periods is not much. Improvements in existing areas and additional yield from replanted area should be able to meet the demand. But all these forecasts are based on the hope that replanting of an area of 20,000 acres per year will commence immediately.

Permission for new extensions.

91. Permission for new extensions may have to be granted to (i) smaller units which cannot afford to lose its present production and replant in the uprooted area, (ii) all units whose uprooted area may be exhausted and not good enough for replanting, and (iii) uneconomic units which can be made economic by addition of extensions. But inasmuch as our studies have shown that no significant economies in costs accrue as a result of owning a larger area, no extensions should be granted to those holding over an optimum size say 800 or 1,000 acres. The Planning Commission has recommended that no ceiling need be fixed for plantation industries as they needed large areas for economic production. While this was no doubt true in the case of estates which had sizes below a minimum which could maintain a factory and a managerial staff, and the minimum had, therefore, to be sufficiently high as 300 to 500 acres, it should not be taken to mean that the larger the area the less is the cost. Small economies may sometimes be possible in proportion to increase in area in respect of managerial and factory costs but the plucking costs varied with the quantity plucked and so long as hand labour was used, costs could not be reduced in the inverse ratio to quantity plucked.

Government plantations

92. In addition to the extensions that will have to be permitted in these special cases, Government may also embark on the running of model farms at economic cost as State farms. Under the proposals of the Commission, research stations may have to be opened in different regions. Along with these stations a thousand acre farm may be run directly as State farms, 3 for the zones of Assam, 2 for Dooars and Terai, 1 for Madras and 1 for Travancore. If 7,000 acres were opened out as fresh clearings, it would yield from 1962 about 5 million lbs. of tea which will prove as a stand-by to meet increasing demand. A part of it may be devoted to nurseries, and nuclear seed and multiplication stations. A healthy competition between different types of management as the Director-controlled Public Ltd., the co-operatives' development corporations, and State farms will give useful experiences regarding factors that conduce to increase productivity.

Principles of the international tea agreement

93. As regards the international tea agreements, future agreements of restriction of production and exports should be tied with definite policies of expanding consumption.

There is always the possibility of producer countries putting up prices by their combination and adoption of restrictionist schemes. The

consumer countries should equally be consulted in such agreements. The International Tea Agreement, 1950 contained a provision that it would be subject to review in the light of any international obligations. The Inter Co-ordinating Committee of the International Commodity Agreements said :—

“other countries (consuming countries) were not invited to participate in the preparation of the new agreement. The present arrangement although controlling exports nevertheless does not provide for equal representation of producing and consuming countries.”

Difficulties, however, existed in choosing the consumer representatives, but they are not intractable. There is also the need for an International Commodity Agreement which would standardise labour costs as far as possible. India by forging ahead of many countries with statutory provisions of wages and amenities is at a disadvantage. In this connection commodity control agreements should pay due heed to Article 7(1) of the I.T.O. Charter. The Article is quoted below :

“The members recognised that measures relating to employment must take fully into account the rights of the workers under inter-governmental declarations, conventions and agreements. They recognised that all countries have a common interest in the achievement and maintenance of fair labour standards related to productivity and thus in the improvement of various working conditions as productivity may permit. The members recognised that unfair labour conditions particularly in production for export create difficulties in international trade and accordingly each member shall take whatever action may be appropriate and feasible to eliminate such conditions within its territory.”

The labour committee of the Fabian Colonial Bureau went further and proposed a committee of social welfare to be set up along with the committee for commodity control.

“If the social welfare committee judges that an area is not carrying out a minimum programme of worker's protection, it should recommend that the quota for that area be reduced. If the general committee of control decline to act on its recommendations, the social welfare committee should have the rights of appeal to the Governments who are members of the control scheme or to the I.L.O.” (P. 69 Havana Conference -Report I—I.L.O. Plantation Committee.)

A proposal of this kind will have, therefore, to be urged at the international level.

Agreement between India and Ceylon

94. Ceylon and India were the major producers. The problem is not whether the international tea agreements should be continued or not but what steps should be taken to bring together Ceylon and India in the interest of tea production and marketing.

A FAIR PRICE FOR THE CONSUMER AND THE PRODUCER

95. The terms of reference to the Commission ask the Commission to examine "the present methods of marketing including all the factors which affect the price paid by the consumer, and also how to secure for the consumer a fair price for the article he buys".

The following are the factors in marketing which affect the consumer price.

Retail prices are made up of—

- (i) The cost of production.
- (ii) Marketing charges including handling to the port, or the internal buyer.
- (iii) Export duties.
- (iv) Import duties.
- (v) Handling charges and profits of whole-salers.
- (vi) Processing, packing and distribution charges of distributors and their profits.

The consumers are in the U.K., the Middle East and India. Up-to item No. (iii) the costs affect all consumers alike, excepting that the U.K. whole-saler may benefit in certain charges as a result of direct consignment to him by the producer-combines in India. Item No. (i) is discussed under the question of a fair price to the producer.

Item (ii) comprised the following charges :

- (a) Transport ;
- (b) Brokerage charges ;
- (c) Warehousing charges ;
- (d) Cost of export finance ;
- (e) Freight ; and
- (f) Marine insurance.

Economics in transport charges were dependent on lorry, rail, and steamer transport costs. The first can be reduced by the operation of a combined lorry service by producers, the second depended on Railway administration, and the third on the goodwill of the joint steamer transport companies which was a monopoly.

The Commission has already noted that brokerage and warehousing charges and freight and marine insurance charges were stated to be high. Effective steps are necessary to bring them down.

It was represented that the cost of export finance was higher than it was before the war. This required examination.

Item No. (iii) (export duties) has been related to the U.K. price and there should be no cause of complaint in the future.

Item No. (iv).—Import duties is a subject for negotiation with Middle-East countries.

Item Nos. (v) and (vi) related to the U. K. market. Here too the market was concentrated in the hands of a few buyers. They worked under the pressure of the London firms of the Non-Indian managing agencies in India who regulated the flow of tea in such a way as to maintain a high price for their produce. Little information is available about the margins of blenders and distributors. It was for the U.K. Government to examine the marketing system in U. K., how far it served the interests of the British consumer. One should expect a fair price from the British and Scottish wholesale Co-operative Society for its consumer members. This no doubt influences the consumer price in the U.K., though owing to keen competition among blenders the retail price is uniform. So far as costs of production of the estates of this society in India are concerned, they show no special economics or efficiency as compared to Non-Indian companies. Consequently one could not expect a fair reduction in the consumer price, or a consumer rebate or dividend.

Producer-controlled price and U. K. consumer

96. The main factor that counted was production costs. Production costs normally never included profits as profits depended on what the consumer paid through the buyer. But production was concentrated in the hands of 13 managing agencies. It was concentrated mainly in two countries which regulated production and exports under international agreements. The same managing agencies sold and bought in the Calcutta auction a substantial portion of tea through an auction system in which four European brokers acted for them as buying and selling brokers. Scope for price-rigging was inherent in this system. The U.K. wholesale market too operated under their influence. The producer had, therefore, scope to influence the consumer price so as to maintain his high profits. More details about price control in this system by the producers is given in the preliminary section. The whole combine was geared towards getting the highest possible price. Under these circumstances prices have been kept at a high level since 1933 until 1952 when there was a price fall during the shift from whole-sale purchase of low grade tea by the U.K. Government to a free market which resisted the high price paid for it. Even in 1952 the tea sold in the U. K. market did not have as much fall in price as the Calcutta auction price. The present production structure—high price—high cost—high profit—will supply tea to western markets only at a price which will maintain it.

A high price for the consumer is unavoidable in this structure. The saving features in mitigating the pressure on the consumer have been the recent liberalisation of exports by the Government and the growing competition of countries outside the international agreement.

The Middle East consumer

97. As regards the Middle-East consumer, he wanted cheaper tea. Indian concerns can easily provide it as their tea was generally a second-grade one and as their costs were far less than those of Non-Indian companies. Stopping of re-exports to Middle-East countries from U.K., negotiations for lower import duties at governmental level, and financial assistance to Indian buyers to expand in this market may help to bring down the price to the Middle-East consumer.

The Indian Consumer

98. As regards the Indian consumer, his price will certainly be influenced by the U.K. consumer who dominates the market. Today he is dependent for 55% of his needs on the Non-Indian producers. The following is a rough estimate of the proportion of tea made for the Indian consumer by Non-Indian concerns.

Approximate estimate of non-Indian production to meet Indian consumption.

	Non-Indian	Indian
Production in million lbs.	500	150
Export in million lbs. in a rough proportion of 9/10 and 1/10 of total export of 413 million	370	43
Proportion of remainder for internal supply	130	107
Percent	55	45
Proportion of Non-Indian and Indian supply in million lbs. towards Indian consumption estimated as 175 million lbs.	96	79

India is dependent today on Non-Indian supply for a major percentage of its consumption. This amount of 96 million lbs. is what remained after exporting better tea, and its market mainly lay in India and countries of the Middle-East. Indian production was 23% of total, but it formed 45% of Indian consumption. Non-Indian production was 73% of the total and it sold a fifth of it in India. All the same it formed 55% of Indian consumption. Non-Indian producers are helped in selling their second-grade teas which remained after the export of the best tea to the U.K. and other countries at as high a price as possible to the Indian consumer. It will be a little difficult for these producers in getting a good price for their remnants if India did not buy this tea. Under existing conditions it is the Indian consumer that is partly maintaining the high-cost managing agencies. It is the Indian Government and Tea Board that are spending their men and money to expand Indian consumption and sell tea in India. Unless Indian production at least increased by another 100 million lbs. immediately, this anomalous situation of the Indian consumer being dependent for an essential commodity on Non-Indian producers and also buying their low grade teas at high prices in order to maintain their western markets will continue. The functions of the Tea Board and the Tea Act will become meaningful when at least the tea consumed in India is a controllable product.

Here is a large field for Indian concerns to immediately expand and as their costs are low and productive capacity is high, they can easily fill this gap. The cheap tea scheme proposed by the Commission will give ample scope to them to increase their production for the internal market. This scheme will also go a great way to bring down the consumer price in India to a level which the Indian consumer can afford.

A fair price for the producer

99. The Commission's figures pointed to higher costs by Sterling and Non-Indian companies regarding freight and transport, insurance, forwarding and selling expenses, salaries, commission to managing agencies and staff and charges of upkeep and stores (*see Table*). Next to high costs was a greater distribution of profits as commission to managing agencies and dividends. Distributed profits were high in respect of all companies, and commission to managing agencies was equally high, in respect of Companies under managing agencies. Considered from the point of view of costs incurred and profits made, the price for the producer should certainly be considered high.

TABLE 28.—*Cost variations of Sterling and Indian Public Ltd. companies—Rs. per 100 lbs.*

	Sterling		Indian Public Ltd., Director controlled.	
	1950	1953	1950	1953
Cultivation	22.4	23.3	14.15	11.31
Plucking and crop-gathering	19.13	21.29	16.08	16.66
Fuel, power and lighting	4.43	5.52	6.64	6.55
General stores	2.85	2.24	1.84	1.68
Manufacture	18.59	20.74	23.60	22.42
Upkeep	7.15	5.81	5.31	3.90
Recruiting expenses	1.61	1.10	1.05	0.74
Medical benefits	3.88	4.10	1.75	1.73
Other labour benefits	6.31	5.82	1.69	1.44
Commission to managers and staff	2.80	3.47	0.43	0.39
Commission to director and agency allowan- ces	3.07	3.28	1.90	2.54
Bonus to labour	0.82	1.17	0.36	0.32
Salaries to estate staff	11.56	13.82	6.95	7.71
Salaries—Head Office	1.20	1.45	1.74	2.10
General and office expenses	3.37	4.13	2.72	2.52
Head office expenses	1.65	2.50	4.37	4.77
Depreciation	1.52	3.08	2.85	3.83
General charges	45.62	50.61	32.37	32.29
Freight and transport	4.84	7.46	4.40	3.69
Export quota	0.87	1.08	1.24	2.43
Selling expenses	8.41	15.41	11.01	12.12
Total costs	125.5	142.4	108.0	104.9

Looked at from another point, the excessive price paid to the producer would also be evident. Sterling companies paid a greater amount of tax for the U. K. Government than Indian companies.

There was no need for State guarantee to secure a fair price as major producers have evolved a structure of sales organisation in India and U.K. to get the maximum possible price from the consumer both in U.K. and India.

Additional costs

100. But can this profit be maintained in the future? The excessive price obtained has not been invested to the extent necessary in the maintenance of the assets of the industry. As the main fixed asset of the tea bush required immediate replacement in about 40% of the area, and as profits were distributed without providing for it, the industry is faced today with the need for a huge credit for replanting. Replanting costs on the other hand have more than doubled. If a sum of Rs. 1,000 was the value of replanting before the war, today's costs amounted to Rs. 2,500. The producer will expect a return on this sum. At 4% it will amount to Rs. 100, or Rs. 12½ per 100 lbs. (800 lbs. = one acre). The existing sum of distributed profit will have to be evened out as return on this additional investment.

In the preliminary paras (page 348) reference has been made to new additional costs. Granting that the octroi in Calcutta and the transit tax in Assam are abolished and the capital expenditure enjoined by the Plantation Labour Act is slowed down, even so the new costs would work to about 6 as. per lb. or Rs. 300 per acre.

Possible economies

101. As against these increased costs, certain reductions were possible in the Indian section by abolishing managing agencies, reducing brokerage and warehousing charges, providing finance at low rates of interest and supplies at economic costs, and bringing down disproportionate salaries and reducing the managerial staff to the minimum. But Non-Indian companies can continue only if their managing agencies existed. A reduction in their commission may not be possible. Secondly, these companies are paying and maintaining the brokers and the warehousing company and they being owners of the major quantity of produce cannot be prevented from paying what they consider as a fair charge to these brokers and the warehousing company. But these charges, if made reasonable, will help the Indian section of the industry. As regards the service of supplies it is part of the managing agency system and cannot be easily rid of in the case of Non-Indian companies. A certain reduction in salary costs is possible if the number of non-nationals in the managerial cadre is brought down. But on the whole all these costs were part of the structure of Non-Indian production, and any reduction can only be with their consent.

Indian producers, however, may be able to reduce costs on the lines above mentioned. The new conditions namely the cost of clearing arrears of replanting and providing for future replanting, the cost of the cheap tea scheme for expanding Indian consumption, the recurring costs under the Plantation Labour Act and provident fund, have added to the costs. These are costs which can be reduced only at peril to the industry.

At the same time the facilities that helped to reduce costs before 1947 do not exist today.

Indian producer disadvantaged

102. A fair price to the producer depended on the price paid by

the U.K. consumer. The existing combination of producers does influence the price but not so much at present owing to competition of producers of other countries which have not joined the international tea agreement, and the resistance of the British consumer. At present the Indian producer is at a disadvantage owing to the existence of an unfair combination of a few buyers with a few brokers, in getting a fair deal in the present auctions. By State-partnered co-operative marketing as proposed by the Commission, Indian producers might get additional strength in getting a fair price for their tea in the Calcutta auctions.

Return for investment

103 An important factor that determines fair price to the producer is the extent of the return for his investment. There are two problems involved in a fair assessment of this investment. The shareholder has provided the fixed assets to the industry. There is a need for their proper evaluation in order to determine a fair return on it. Can the sum of share capital be taken as the value of fixed assets? Share capital not only includes actual reserves capitalised but also reserves due to revaluation of assets. As a result, according to the Commission "there seems to be little relationship of share capital with actual investment". Another method would be to value the fixed assets which are tangible and which definitely exist. In valuing the fixed assets one should be sure whether all of them are needed for the working of the industry. There are big bungalows and guest houses. There are big hospitals. If, for instance, an employer puts up a group hospital and adds it as a fixed asset the average cost of fixed assets per acre will amount to huge sums. Similarly if costly houses for which labour cannot afford to pay rent are put up by the employer, fixed-assets in respect of housing will run to huge figures. In the case of industries in which Government welfare organisations operate, houses, hospitals and schools get automatically removed from mixed assets. Definite principles, therefore, should be laid in the first instance what items should be considered as fixed assets and at what proportion the estate should bear financial responsibility for items which are also partly or wholly the responsibility of Government. The basic principles underlying the valuation of fixed assets should also be formulated. One method would be to take the book value and add the cost of additions. Another would be to find out the current value at current prices. The Commission has already proposed that the existing tea plants should be valued for purpose of valuation in respect of sales, and revaluation of fixed assets. Such revaluations should equally be possible to find the current value of fixed assets. Having fixed the legitimate items of fixed assets necessary for the industry and valued them, it is also necessary that the percentage return on this value should be decided upon.

The Commission has said that, if a fifty per cent. reduction in dividend was made, it might help to increase the reserves by about 25%. But it has recommended, a minimum dividend after paying taxes and setting apart for reserves, to be fixed by a committee. It has further recommended that the same committee should fix the

share of profits out of what remained, between the shareholders and labour and staff. What portion of profits should go to the shareholders is a larger question which affected all industries. The commission report, however, recognises its urgency. The excessive repatriation of profits and payment of dividends in this industry has aroused bitter strife about profit-sharing between labour and management. Absence of statutory fixation of total profits to which the shareholders are entitled also resulted in an increase in share capital by unsatisfactory methods.

The proposal of the Commission that dividends and profits shall not be repatriated pending clearance of arrears of replanting is sure to be circumvented by increasing the bonus shares and selling them, thereby repatriating profits and dividends and defeating the proposal of conservation of profits for promoting replanting. While the formula for fixing total profits for all industries, might be uniformly fixed by Government, there should be a rationale in proposing such formula. The proposed committee might be given a line of thinking in the sharing of profits. When once the principle of sharing of profits is accepted, then their distribution should be based on just principles. It is in this view that the following suggestion is made. Profits might be distributed in proportion to the contribution to the industry by each interest. The physical contribution of labour, the intellectual contribution of management, and the money value of the contribution of the shareholder should all be evaluated. The first two can be evaluated by equating it to the wages and salaries they receive. The total earnings of labour are the equivalent of labour contribution, those of the subordinate and superior staff are the equivalent of managerial contribution, and the annual value of fixed assets as existing during each year are the contribution of shareholders. Managing agents are excluded from this sharing as they are already paid a share of profits. There ought to be no difficulty in finding out a uniform annual value of fixed assets. Income-tax officers may periodically fix this annual value for companies and proprietors having more or less the same incomes and expenses. Periodical valuation of lands, buildings, etc. is generally done for local taxes and the procedure has nothing novel about it. The annual value may be fixed according to the life of each asset as allowed for depreciation. Profits that remained after allocating for reserves may, therefore, be distributed in the proportion of the annual value of fixed assets, the total earnings of labour, and the total earnings of management and superior staff. To illustrate, the value of existing fixed assets amounted to Rs. 3,000 to Rs. 4,000 per acre and annual value to Rs. 150. The annual value of labour amounted to Rs. 500 per acre. The annual value of management (divide management cost of Rs. 25,000 for 300 acres) would amount to Rs. 80. The profits may be, therefore, shared in the proportion of 15:50:8. Or the total annual value of fixed assets, and the total annual earnings of labour and managerial staff in an estate will be the basis for fixing the proportions for a division of profit.

One question that will arise is whether a proportion of profits should be paid on the annual value of fixed assets purchased from future reserves. Reserves being past profits and as the recent Com-

panies Act has provided that dividends should be paid from profits, and repealed the previous provision that it may be paid out of undistributed profits of previous years, it consequently follows that the value of fixed assets formed out of reserves (past profits) cannot be calculated for finding the annual value as the base for the share of profit for the shareholder. Any future dividend should only be for fixed assets which are not purchased from future reserves. Otherwise the value of fixed assets purchased out of reserves will disproportionately increase the proportion to the shareholders for division of profits.

Just as labour is entitled to a minimum wage, share capital too is entitled to a minimum return in addition to a share of profits. As guarantee of a minimum will take away the element of risk-bearing in share capital, this minimum should be paid only when there is a profit. But it should have preference after payment of taxes and allocation to reserve over the sharing of profits. The Commission has left the fixing of this minimum to a committee. I would straightway recommend that the minimum shall not exceed the rate of interest which Government pays for its loans.

A fair price to the producer generally includes a return for the working capital. There is more than one point of view about how far reserves can be considered as capital contributed by the shareholder. The one is that the latter is entitled to all the profits and, therefore, any accumulation out of the latter belongs to him. The other is that reserves belonged to the company and are a part of past profits which are due to the efforts equally of labour and management. If any interest is to be paid for the use of the reserves, it should be paid for all the interests concerned. Another view was that interest should not be paid on specific reserves. Still another was that it should not be more than 1% over the bank rate. The fourth view was of the U.P. Labour Committee which excluded all reserves in the calculation of dividend on share capital. Whatever might be the validity of these views, the industry can survive at present only by not making an inroad into its profits for paying an interest on reserves to only one section of the industry. When once it is put on a sound basis according to our proposals, there will be time enough to decide this question.

I would go further. Reserves being the capital of a concern, any income earned by it owing to its free use, should be computed and added to it. Otherwise the gain by its free use in the place of borrowings at certain rates of interest is high for those concerns which had larger reserves. Current expenditure instead of being met from current revenues will be met also from the gain accruing from the free use of reserves. To this extent the management will not be put to the need of economising and increasing current sources of income. Comparison of profits of different industrial units becomes difficult when the income of a unit resulted to a greater degree from the free use of accumulated reserves. In the present condition of the industry a certain interest should be calculated for the use of free reserves and added to reserves.

A fair price to the producer should have, therefore, to take all these factors into consideration.

CHAPTER VI

PROFIT SHARING

104. Certain fundamentals should be kept in view in any proposals of profit-sharing. Profits are due to external factors when all the interests have been fully remunerated. If Government refused to restrict production and exports or only regulated the quantum of exports, competition among the producers will increase supplies and bring down their profits. The tea producers wanted the protection of Government to make their profits. Profits then are not due to the industry but State restrictionism. Tea production was a State monopoly which it regulated by licensing production. Profits were equally due to external factors as the demand, the price of supplies and services, a low taxation, and State policy to maintain foreign markets to earn foreign exchange. They were further due to State control over labour earnings. Labour was forced to take a minimum wage. It was not permitted to bargain collectively by withdrawing its service. Where it demanded more wages and amenities, a tribunal of the Government fixed it. The profits in the industry, the taxes paid to Government, the dividends paid to shareholders, and the commission paid to managing agents, were all due to the restraint of the staff and labour force in not demanding a just portion of profits to themselves. And it is not the restraint of labour in a single estate or industry that resulted in profits but in all the industries of the country. Government, therefore, might justly take away all the profits that remained after meeting all legitimate payments due to all interests including itself, pool and distribute them for labour in the whole country. I am stating this fact so that employers and labour might understand that they had no prescriptive right over the profits of a single undertaking.

So long as Government permits the sharing of profits which are due to factors other than the managerial staff, labour and shareholders, it should be divided on the basis of certain just principles. It is not understood why it should be 50% for labour and 50% for shareholders and managerial staff. One reason appears to be that the profit-sharing committee has so proposed it. But this committee was concerned with all industries in the country. A share for shareholders who had to invest more money in machinery in an industry should naturally be greater than those in another industry which required less machinery but more labour.

A just share for shareholders has been already formulated in the section on a fair price to the producer. What remains after payment of dividend and share of profits to shareholders may be paid to labour and management *pro rata* according to their total earnings. It would be better that these profits which are due to external factors are pooled industry-cum-locality-wise as proposed for 'certain select cases' by the profit-sharing committee. There is no need for fear that inefficient estates will be pampered by region-wise distribution of profits. Profit distribution will be in proportion to total earnings of labour and staff.

Estates with more profits can always give a better wage, more amenities and retirement benefits. To the extent total earnings of labour and staff will be greater in these estates, their share of pooled profits too will be proportionately greater. Pooling of net profit after payment of tax and dividend to shareholders, and its distribution to labour and staff will eliminate labour bitterness against those managements which are not able to make as much payments as better-situated estates. If wage-payment is geared to productivity of labour, profit distribution based on it will equally be an incentive to productivity.

The profits for different regions of approximately similar yields and expenses should be pooled and distributed *pro rata* according to total earnings of labour and staff. A ceiling may be fixed for profit distribution in respect of superior employees. The cash amount distributed to subordinate employees and labour should not exceed their annual salaries. Labour and employees may be paid 25% in cash as proposed by the profit-sharing committee. The balance of 75% shall be funded and invested in a trust to be formed. It may be distributed for specified purposes of a non-recurring character as education, marriage, disablement, purchase of a home or land, etc. The amount should be invested in appropriate Government loans and securities.

CHAPTER VII

THE FUTURE

How to meet additional costs

105. Our studies pointed to the following conclusions regarding the profitability of the Tea industry. The year 1953 was one when managements, having learnt bitterly in the school of experience in 1951 and 1952 as a result of huge losses suffered by them reduced their costs to the utmost. The costs in such a year amounted to about Rs. 150 per 100 lbs. including interest charges and managing agency commission. The gross revenue expenditure for the major sector (Sterling and Non-Indian) amounted to Rs. 156 per 100 lbs. Including managing agency commission and interest charges it amounted to Rs. 165. Experienced planters put costs at Rs. 162/8/-. The year 1953 was also one when a good price was got per lb. both at the U.K. and Calcutta auctions since 1933, barring 1950 when the price at Calcutta auction was Rs. 2-0-9 per lb. The average price fetched for tea (gross sale proceeds divided by quantity sold) in London and Calcutta markets amounted for the Non-Indian companies including Sterling to Rs. 2-2-0 per lb. or Rs. 2-3-0. When we add additional costs due to the proposals made by the Commission, there will be deficit of Rs. 20 to be met by the Non-Indian sector. This would amount to 3 annas per lb. (*vide* three Tables indicating margin available for meeting proposed costs). This does not take into account the recent bonus payments, which are as follows:—

Recent bonus payment per 100 lbs. (1 worker is maintained for 4/5 of an acre yielding 800 lbs. and was paid Rs. 130) Rs. 20.

	Sterling companies Rs.	Non- Indian companies Rs.	Indian companies Rs.
Amount allotted to reserves per 100 lbs. 1954 . . .	37.98	43.41	50.39
Amount carried forward per 100 lbs. 1954 . . .	7.00	8.37	53.60
Amount that cuts into reserves as a result of bonus payment per 100 lbs.	13.00	11.63	Nil

TABLE 29a. —*Margin available for meeting proposed costs— (1953) in Rs. per 100 lbs.*

(According to figures of reporting companies—including U.K. costs and U.K. auction price.)

	Sterling	Non- Indian	Indian
Gross sale proceeds	230	200	180
Revenue expenditure	163	127	100
Gross profit	67	72	80
M. A. Commission	6.75	9.88	3.02
Interest	1.89	1.90	1.86
Taxation	22.75	10.30	14.35
Dividend	7.05	17.67	6.10
Reserves	11.04	13.10	5.80
Total	49.48	53.15	42.66

	Sterling	Non-Indian	Indian
Surplus	17.52	19.85	37.34
Extra cost at -/6/- per lb.	37.50	37.50	37.50
Deficit	19.98	17.65	0.15

TABLE 29b.—*Margin available for meeting proposed costs*
(Excluding U.K. costs and U.K. auction price)
1950

Items	Sterling	Non-Indian	Indian
Total cost excluding Managing Agents Commission	119.65	110.15	105.08
Interest	0.66	1.10	1.21
Commission to Managing Agents	5.28	9.19	3.31
TOTAL	126.19	120.44	109.60
Provision for taxation (on the basis of figures furnished by reporting companies)	41.91	19.50	17.09
Dividend at rates as worked on the basis of figures furnished by reporting companies	13.00	34.32	11.21
Reserves	15.17	18.72	5.34
Extra costs due to proposals for replanting and other items (6 as. per lb.)	37.50	37.50	37.50
TOTAL	233.77	230.48	190.74
Sale proceeds (Calcutta) at Rs. 2-0-9 for Sterling and Non-Indian and Rs. 1-11-1 for Indian	204.69	204.69	169.27
Deficit	29.08	25.79	11.47

TABLE 29c.—*Margin available for meeting proposed costs*
(Excluding U.K. costs and U.K. auction price)
1953

(Figures are in Rs. per 100 lbs.)

Items	Sterling	Non-Indian	Indian
Total cost excluding Managing Agents Commission	135.67	131.86	104.73
Interest	1.89	1.90	1.80
Commission to Managing Agents	6.75	9.88	3.92
TOTAL	144.31	143.64	110.45
Provision for taxation (on the basis of figures furnished by reporting companies)	22.75	10.30	14.85
Dividend (at rates as worked on the basis of figures furnished by reporting companies)	7.05	17.67	8.1
Reserves (at rates as worked on the basis of figures furnished by reporting companies)	11.04	13.40	5.89
Extra costs (6 as. per lb.)	37.50	37.50	37.50
TOTAL	222.19	222.51	176.79
Sale proceeds (Calcutta) at Rs. 1-15-10 for Sterling and Non-Indian and Rs. 1-13-0 for Indian	198.96	168.96	125.25
Deficit	23.69	23.55	plus 4.40

Bonus has been paid, therefore, by cutting into reserves to the extent of Rs. 100 per acre (800 lbs. = 1 acre). "The payments will add to 3d. per lb." (Tea and Rubber Mail, Feb. 9, 1956.) This indicated to 3d. per lb." (Tea and Rubber Mail, Feb. 9, 1956). This indicated the danger to the industry when an employer first takes a dividend of 50% of net profits after tax or a profit of 20% on investment, and having thus aroused the jealousy of his partner (labour) for an equal share in profits appeases it by distributing a share of the reserves, and both forget, in this process of sharing, that 40% of tea bushes the main asset in the industry which is the bestower of this profit will collapse unless replanted in the next 10 years, and Sterling and Non-Indian companies needed for this purpose a sum of Rs. 21.95 crores in addition to the full investment of all its present working funds of Rs. 35 crores (1953 figures).

Assuming that bonuses in the future would be distributed on some rational principle and out of profits only, the surplus available in a best year of profits and lowest costs (1953) was about Rs. 18. The new proposals cost Rs. 37/8/- (6 as. per lb.). About Rs. 17/8 can be met from the surplus. How to meet the deficit of Rs. 20 or 3 as. per lb.? Out of this sum, the additional cost of replanting worked to 1 anna 6 pies in the case of Non-Indian companies. This cannot be met by reducing the existing reserves which are inadequate. It may be met by reducing dividends by half. By economising on remuneration to managing agents, purchase of stores, and other costs it ought to be possible for non-Indian managing agency houses to meet the additional cost. There could be no compulsion in this matter. Will this century-old sheltered and high-cost concentration be able to adjust itself by being satisfied with a minimum dividend, minimum profits, minimum salaries and commission? Will they have any charm to make these adjustments and continue the industry? The additional costs are irreducible. The one possible relief to them will be to treat replanting expenditure as a revenue expenditure and thus give a reduction in income-tax. Where Non-Indian companies wanted Government loans, they may be offered this help subject to State participation in their management. The non-recurring expenditure under the Plantation Labour Act may be restricted to the minimum as far as possible. These companies may approach the U.K. Government to reduce its level of taxes to that prevailing in India. Income tax is uniform for all industries and naturally it becomes lower in its incidence in industries as Tea which have generally double the profit prevailing in other industries. The excess profit resulting from a low income-tax is at present distributed to shareholders and labour and staff. Until fixed assets are restored to normal health, it should have priority in the use of excess profits over its distribution to shareholders and labour. Excess profits are the consequence of the administrative difficulty involved in an exact assessment of export duty to mop them up. This excess profit shows itself in the purchase of export quotas at high prices. In industries as tea which make excess profit in certain years, excess profit tax during the war time may be justified. Government may, however, waive this right to levy this tax so long as dividends and managing agency commission are reasonable, thus allowing the excess

profits to be invested in replanting. But there could be no compulsion in regard to the exercise of economies by Non-Indian managing agencies and their companies. Despite various kinds of relief proposed, it is for the Non-Indian managing houses to choose a low cost—low profit—low price structure and continue or maintain the existing high cost—high profit—high price structure and wind-up. The available margins indicate that they cannot have both. As already proposed if they needed any financial help to continue, Government should willingly offer it by starting a State-partnered corporation. If they closed, they should sell after getting the permit from Government.

As regards Indian companies despite the low price which they make for their teas, they have resources to meet the additional costs. Having come later into the field, they have only a lesser number of aged bushes to replant. The various proposals made in the section on 'fair price to the producer' indicated the economies they could make.

But all companies should strive to manufacture better tea. The costs may be made up if a higher price can be got for exported tea. This meant a close attention to the quality of export tea. The reports about Indian tea in foreign markets showed the direction in which future improvements lay. In Aden the local dealers felt that if the price of B.O.Ps. could be made competitive as compared to Ceylon tea, only then more Indian teas could be sold. Also Japanese tea which was more fragrant sold cheaper than Indian Tea. In Sudan, Indonesian tea sold cheaper and was preferred. Middle-East countries generally wanted low-priced teas. In Canada the quality of Indian teas was considered lower as it contained extraneous matter, was not clean and it came in damaged chests.

The U.K. market too had its own complaints.

"North Indian teas, especially those from Dooars, however, still leave much to be desired in this respect and too many teas have been seen with an open and spongy leaf. These teas provide great difficulties for packers and this fact may be reflected in auction prices now that the spot shortage in London is over.

During December quality in London auctions has been steadily declining and this has been reflected in the prices realised, although the demand for any stand-out teas has been as strong as ever and useful liquoring medium teas with colour have continued to receive strong support. The largest fall so far has been in thin liquoring teas and poor teas with stalk or fibre."

(Latest report of Messrs. Twining Crossfield and Co.—Tea and Rubber Mail, January 5, 1956.)

Production of better tea, proper packing of tea for exports, and increased wages in proportion to productivity of labour and consequent reduction in the labour force, were the directions in which the

industry should advance and be able to get a better price for tea. The quality of export tea should be so improved as to fetch at least Rs. 2-8-0 ($3\frac{3}{4}$ sh.) per lb. on the average.

The work organisation

106. The future lay in improving the skill and efficiency of the individual worker. The organisation of the work in the plantation should be so improved that every individual family will have full scope to show its capacity in quality-plucking and earn the maximum. Conversion of big-sized estates into peasant holdings is no solution. It has failed in Ceylon. Merger of smaller proprietors and companies may give a properly sized-unit. In the case of small holders they may be combined into co-operatives for managing a factory. There is no inseparable connection between tea-growing and the managing agency type of big-sized estates. Tea has shown capacities of growing, and better capacities too under Indian Public Ltd. Director-controlled companies. "It is true that from the earliest times the local *kyah* or ex-garden Mohurir bought land and planted out tea which he sold usually to the nearest European estate at a profit" (a former member of managing agents in Financial Times quoted in Tea and Rubber Mail, Oct. 6, 1955—p. 517).

The minimum size is, however, imperative. Mechanisation in plucking will be more economical than maintenance of a large labour force but then it cannot compete against the small holder who may be satisfied with a lower return than a paid labourer in a plantation. Substantial economies are possible through a proper organisation of work. Every labour family may be trained for efficient plucking in the first instance and for even processes of cultivation, where possible, by entrusting each with a small plot. Or the existing system may continue with greater supervision. But what was important was creation of proper conditions for increasing productivity. Secondly, wages should be geared to useful production. If costs could be reduced thus, more tea can be made at a lower price. High wages too can be paid, thus conferring a double benefit. Instead of raising wages, incentive plans should be followed so that they are related to extra effort. Lack of control and absence of measurement of labour costs are the chief causes for high costs. The urgency of appointing work and time-study economists to make objective studies, and a fearless application of the results thereof should be realised. (*Vide* Chapter VIII. Sec. A of the Commission's report.) And if India loses in international competition in this industry, it is no use tracing it to want of co-operation of labour, or a low price, but to failure to relate efficiency to wages and salaries, economise costs, and make better tea, and to repatriation and distribution of profits without even providing essential reserves for the maintenance of the industry. If India loses, it is because other countries had more efficient producers who could adopt better productivity methods of making tea.

The Non-Indian managing agencies

107. As regards Non-Indian managing agencies and their companies, may I submit to them to think over certain facts. They should not, and I am sure they will not, consider it the duty of a national

Government to maintain a restrictionist structure which can never hope to supply to the Indian consumer tea at a lower price than at present, and satisfy the western market at a price which excludes unnecessary costs and a 20% profit on investments. Secondly, certain minimum conditions solely in the interest of the existence of the industry have to be unavoidably conformed to. Is it wrong to compel an industry to immediately restore the tea plant by uprooting aged bushes and replanting? Is it wrong again to compel it to provide for future replanting reserves? Is it wrong to compel the maintenance of non-material assets (labour and staff) in the same way as material assets? Is it wrong again to compel an outside investment of 25% of net profits before tax which is what the Non-Indian companies are at present investing as statutory specific reserves? Supported as they are by the Indian consumer who is satisfied with a low-grade tea, and in order to expand Indian consumption, they should in their own interest contribute to the cheap tea scheme. Having provided these, they are free to do what they like with their profits. India loses, by not buying the Non-Indian estates, a lot of foreign exchange sorely needed for the Second Five-Year Plan. It loses foreign exchange as a result of export to the U.K. which re-exports to the U.S.A., Australia, Europe and Middle East.

To make it easy to discharge these essential responsibilities, the Commission has recommended certain tax relief. It has also proposed that replanting, though relating to the building of assets, should be treated as revenue expenditure which meant a substantial loss in income-tax. Though Government can levy excess profit tax on an industry with high profits, it has not done so. Can this pattern evolved on a high price—high cost—high profit basis bear the strain of Indian taxes, maintenance of the wasting asset of the tea bush, and the legitimate demands of labour and staff, and be able to supply the western market at a competitive price and expand Indian consumption by selling tea at a low price which the Indian consumer can afford. None will be gladder than the Government if it happened. But will they be able to conform to the changed conditions? Can they?

“The old order changeth yielding place to new and God fulfils himself in many ways; lest one good custom should corrupt world.”

Caution

108. Let me utter a word of caution in studying the figures in the report. The ownership of the Industry vested in various types of management, with costs varying for different management structures. The Sterling registered in the U. K. incurred certain special expenses and followed certain special methods in distribution of profits. Companies under managing agencies made certain economies and incurred certain costs which differed in these respects from Director-controlled companies. Proprietary and private partnerships not being regulated either by directors or managing agencies incurred costs and allocated profits according to their individual policies. The economies of the industry also depended on the market in which the companies sold their tea. One set of companies made a better price by selling in

the U.K. market while the Indian generally sold in the Indian market a second-grade tea and made a lower price. The objectives too of different managements should be considered. The Non-Indian managing agency houses have formed a producer-combine aided by an international agreement with the main object of getting the highest possible price for their tea and, therefore, restricted supplies. Expansion of consumption, sale at a low price, reduction in costs, reduced distribution of profits and increase in productive capacity by a greater investment of profits in fixed assets were opposed to a policy of restriction of production and making a high price. The figures indicated all these features in respect of Sterling and Non-Indian companies under the Non-Indian managing agencies. Again Non-Indian companies incurred more expenses on managerial staff and high commission to managing agencies who were the real owners through their controls. They spent more in maintaining the estates (upkeep), on improved methods of cultivation, medical and labour benefits. Director-controlled Public Ltd. and Indian companies showed a different set of features. In view of these varying factors, the totals under costs, profits and their allocation, fixed assets, floating assets, investment of reserves in fixed assets, working funds, share capital, reserves and borrowings, bonus shares, and revaluation of assets, etc. may show an increase or decrease under these heads, which is not warranted by figures for the major sector of Sterling and Non-Indian companies and the minor sector of Indian companies. Totals help to compare with other industries but even so it is the representative figures, namely those of the major sector that will have a value in such comparisons and not a total for all types of companies. A proper picture of the industry will not, therefore, be found in the totals, but only in the management-wise figures.

Coverage and Comparison of companies

109. The coverage of Indian companies regarding capital structure and profits was limited. This was due to the fact that many Indian companies could not supply figures for the year 1939 for purposes of comparison. But if comparable companies were alone considered, *i.e.* those having 500 acres and over, the coverage of Indian companies was 32%. These companies should possibly be the best. Their growth may not be reflected in the remaining 68%. But they showed the possibilities of the Indian section. A study of the capital structure of Non-Indian and Indian companies should not compare them as their objectives were different. Each set of companies should be studied separately. The one showed stunted growth, and poor internal resources in relation to needs of restoring fixed assets to a normal condition while the other showed normal growth and greater amount of resources for renewing and replacing fixed assets.

As regards costs, the coverage of the Indian section for comparable companies holding 500 acres and over was more than 59% of its total area under this group. This is a fair coverage. As one set of companies got a better price, they incurred more costs than necessary. The Non-Indian managing agency system incurred more costs

on general charges and selling expenses. The difference in structure, (managing agency, Non-Indian personnel, and London Office for Sterling companies), in objectives (maximum price by controlled production), and the market (a western market which consumed better tea and paid a high price than the Indian) explained the difference in costs.

Earner of foreign exchange

110. The losses in foreign exchange were the following. According to Messrs. Matheson & Co. Ltd. "a certain amount of foreign exchange may be lost by re-export". Re-export in 1954 amounted to U.S.A. 9.7 million lbs., other Commonwealth countries 2.6 millions, Canada 3.2 millions and other countries 6 millions, in all 22 million lbs. of tea. The loss in foreign exchange on this account at a minimum of Rs. 2 per lb. was Rs. 4.4 crores. Certain losses in foreign exchange were due to the fact that the producers were Non-Indian concerns registered in the U.K. These were the London expenses of these companies, U.K. taxation, and repatriation of profits amounting to Rs. 12.83 crores. All these losses should be set off against the gains in foreign exchange resulting from exports.

Internal resources in relation to fixed assets to be restored to normal condition

111. The inadequacy of these resources which the Commission had referred to would apply particularly to the Non-Indian but less to the Indian sector.

The following are the needs for restoring fixed assets to a normal condition and the available working funds to meet them.

	Acreage in lakhs	Replanting costs for pre-1910 bushes in crores of rupees at Rupees 2,500 per acre*	Renewal and re- placement of bldgs. & machi- nery in crores of rupees	Available working funds in crores of rupees	Per acre rupees	Deficit in crores of rupees	Deficit per acre rupees
Sterling	4	44.20	...	28.24	706.13	16	400
Non-Indian	1.12	12.76	...	6.77	605	6	335
Indian†	2.44	13.65	12.20	23.11	947.4	2.74	112

*See Table 4 para 8.

†Companies under managing agencies and Director controlled

This statement has been prepared on the followings basis. On the basis of the percentage of area with pre-1910 bushes for the reported acreage, the total area with pre-1910 bushes has been worked out for different managements. Sterling companies reported for 2.7 lakhs of acres out of a total of 4 lakhs of acres. The Non-Indian reported for 92,600 acres out of a total of 1,12,000 acres. The Indian reported for 62,700 acres out of 2.44 lakhs of acres. The Indian coverage was

only a fourth of the total estimated area of estates over 100 acres. Secondly, it related mainly to big and old estates which had necessarily more old bushes. To apply the costs of replanting of one-fourth of the companies covered to another three-fourths which included smaller companies, and to apply the percentage of area of old bushes in older companies to companies which came later would only over-estimate the cost of replanting. It will, therefore, err only in over estimating the cost for the Indian Section. Also replanting cost has been applied to holdings over 100 acres and below 300 acres in the Indian section which never existed at all in the Non-Indian section. We have also not limited the comparison of Indian and Non-Indian to comparable companies holding 500 acres and over. The replanting cost of the Indian section, despite all this over-estimation amounted to Rs. 13.65 crores for 2.44 lakhs of acres, inclusive of all estates over 100 acres. Again the cost of machinery and buildings needing renewal and replacement has been calculated only for the Indian section. The present value of fixed assets is about Rs. 1,000 per acre. As land asset formed about 50%, the value of other fixed assets (plant and machinery) cannot be more than Rs. 500. The present valuation of plant and machinery per acre is estimated at Rs. 1,000 per acre. The replacement and renewal cost could not be more than Rs. 500 per acre for plant and machinery. Indian estates which could maintain plant and machinery, *i.e.* over 300 acres held an area of 1.54 lakhs. The cost for this area would amount to Rs. 7.70 crores. Even calculating for 2.44 lakhs of acres including estates which may have no factories, the estimate for plant and machinery would amount to Rs. 12.20 crores. No account has been taken in these figures of the needs of Non-Indian and Sterling companies regarding plant and machinery. Even so Sterling companies had a deficit of Rs. 400 per acre, Non-Indian Rs. 535, and Indian Rs. 112 per acre.

It might be argued that the working funds per acre in the Indian section are high because the companies which reported were the best and this figure should not be applied to the remaining 72% of the area of the companies that have not reported. Assuming but not admitting this argument, let us examine the figures for the reporting Indian companies which mainly belonged to the group of 500 acres and over.

Acreage of Indian estates of 500 acres and over Lakhs)	Estimated cost of replanting (rupees crores)	Estimated buildings and machinery cost (rupees crores)	Available working funds (rupees crores)	Surplus (crores rupees)	Per acre surplus (rupees)
1.15	6.37	4.38	10.89	0.14	

These figures showed a surplus per acre. It might be that, even though working funds might be inadequate, they could be borrowed and repaid out of profits. Table 31 (para 105), however, showed that while Non-Indian companies had a deficit after meeting costs, dividends and reserves, the Indian companies had generally a surplus or an insignificant deficit.

Without any arguments and statistics, the fact that the Non-Indian sector had a larger area of about 44% under pre-1910 bushes and the cost of replanting per acre was Rs. 2,500, while the Indian

sector had only 22% under such bushes, and the needs of replacing machinery only in the Indian sector could never be more than Rs. 500 per acre itself showed that the Non-Indian sector required more funds for bringing the fixed assets to a normal condition. There was no escape from this arithmetic. After a century of existence the Non-Indian sector showed a deficit in working funds between Rs. 400 and Rs. 535 per acre to restore the fixed assets to normalcy. Let us forget for the moment that the Indian sector had less aged bushes and more working funds. The financial position of the Non-Indian sector by itself was rather disturbing. The least the Commission report should have done is to particularise its comment that internal resources were not commensurate with the needs of the industry to restore the fixed assets to normalcy in respect of the Non-Indian sector. Anyway the finding of the Commission applies to the Non-India sector though not excluding the Indian sector. The two sectors were, however, different. The one had less reserves owing to its high-cost and high distribution of profits and the other had more. The one had more aged bushes and the other less. And these features reflected themselves in internal resources in relation to restoration of fixed assets to normalcy.

(Sd.) K. G. SIVASWAMY.

New Delhi,
The 27th April, 1956.

ANNEXURES

LIST OF ANNEXURES

ANNEXURE No.

- I. Statement showing by categories the various bodies and individuals to whom questionnaires were sent and from whom replies were received.
- II. Table showing planted acreage of tea in principal producing countries since 1938.
- III. Table showing production of tea in principal producing countries since 1938.
- IV. Table showing planted acreage of tea in principal producing countries as percentages of world acreage.
- V. Table showing production of tea in principal producing countries as percentages of world production.
- VI. Number of registered estates State-wise in North and South India according to size of holdings.
- VII. Statement showing utilisation of land for various purposes in tea plantations in the different tea regions.
- VIII. Tables showing acreage under tea in India classified as 'Indian' and 'Non-Indian' (according to management) with a note explaining how the area under Indian and Non-Indian has been estimated.
- IX. Statement showing number and area of tea estates of less than 100 acres.
- X. Statement showing production of tea by estates under the management of thirteen agency houses in North India.
- XI. Composition of the share-structure and boards of directors in a few agency houses in Calcutta.
- XII. Functions of the Tea Board.
- XIII. Statement showing capital invested in tea plantations as on 30th June, 1954 by Sterling, Rupee Non-Indian and Rupee Indian controlled companies.
- XIV. Statement showing capital invested in tea plantations by Partnership and Proprietary concerns.
- XV. Statement showing Rupee companies classified according to their paid-up capital.
- XVI. Composite balance sheets for 247 companies (all groups and under different types of management).
- XVII. Tables showing increase in assets during 1939-1953 for 247 companies (all groups and under different types of management).
- XVIII. Statement showing proportion of land and other assets to total fixed assets in 1954.

- XIX. Tables showing sources of financing capital formation for 247 companies (all groups and under different types of management).
- XX. Tables showing capital formation in 247 companies (all groups and under different types of management).
- XXI. Tables showing availability of internal finance with tea companies (according to types of management).
- XXII. Table showing amounts ploughed back into fixed assets in 247 companies (according to types of management).
- XXIII. Table showing net profits (after taxation) and total retained profits per acre (according to types of management).
- XXIV. Statement showing quantity and value of manures supplied to tea estates in the years 1952, 1953 and 1954.
- XXV. Statement showing ages of tea plants in various regions.
- XXVI. Statement showing new planting, replanting and area abandoned in different regions during the 10 years ending 1953
- XXVII. Statement showing age-groups of plants according to types of management.
- XXVIII. Statement showing area planted and replanted (according to types of management).
- XXIX. Statement showing cost of new planting and replanting one acre with tea and tending it for five years (Actuals for 1944 and 1947 and present estimates).
- XXX. Statements showing (i) estimates of cost of extension and replanting of tea in South India as furnished by the United Planters Association of Southern India. (ii) Estimates of costs of new plantings as furnished by the Indian Tea Planters Association.
- XXXI. Statement showing the production and sale of tea seeds.
- XXXII. Statements showing cost of production of tea in various regions during the years 1950—1953.
- XXXIII. Cost of production of tea of small holdings and estates of 100 acres and above.
- XXXIV. Statement showing item-wise cost of production in various regions during the years 1950—1953.
- XXXV. Table showing percentage rise or fall in major heads of cost of production in 1953 over 1950 in different regions.
- XXXVI. Statements showing cost of production of tea according to different types of management within each region.
- XXXVII. Statements showing cost of production of tea region-wise under each type of management.
- XXXVIII. Table showing item-wise cost of production according to types of management.

- XXXIX. Table showing percentage rise or fall in major heads of cost of production in 1953 over 1950 (according to types of management).
- XL. Statement showing percentage rise or fall in item-wise cost of production in 1953 over 1950 (according to types of management).
- XLI. Statement showing proportion of various heads of cost to total average cost of production of tea.
- XLII. Proportion of Labour costs to total cost—1953, in North and South India.
- XLIII. Statements showing decline in permanent labour in different regions, decline in casual labour in Assam, average daily number of workers in factories in Assam and West Bengal and a note on output of work by labour in South India.
- XLIV. Table showing number of workers per acre in different regions.
- XLV. Proportion of permanent and temporary labour in West Bengal and a note on the status of casual labour in West Bengal and Travancore-Cochin State.
- XLVI. Statement showing excess local labour and imported labour during 1950—1954 in Assam.
- XLVII. Absenteeism in various regions.
- XLVIII. Statements showing distribution of surplus adult labour by sexes in 1953. (a) seasonal surplus of labour in South India, (b) statement showing non-working dependents in relation to earning workers, (c) statement showing birth rate in plantations compared to the birth rate for India and estate population in Ceylon, (d) number of labourers recruited, number repatriated and the number who postponed rights of repatriations.
- XLIX. Statements showing the total estimated annual wage bill of the Tea industry and cost of amenities per worker in North and South India.
- L. Table showing wages in different regions.
- LI. Evidence on the working of minimum wage notifications.
- LII. Note on plucking rates in different States.
- LIII. Illustrative list showing forms of workers' protests.
- LIV. Extent of strikes and lock-outs in the Tea industry. Statements showing statistics of industrial disputes and of labour strikes by duration, causes and months of occurrence.
- LV. Illustrative list showing the nature of disputes in North and South India.
- LVI. Statement showing nature of the machinery employed for settlements and results achieved.

- LVII. Extracts of evidence on the working of the conciliation machinery.
- LVIII. The working of tribunals.
- LIX. List of labour disputes pending before the Madras tribunals for awards since March 1952.
- LX. Statement showing representations under section 33 and 33-A of the Industrial Disputes Act in South India.
- LXI. Extracts from the speech of the vice-president of the Estate Staff Union of South India, 1954.
- LXII. Representations received regarding the working of the Industrial Employment Standing Orders Act.
- LXIII. Railway rates and freight rates quoted by joint steamer companies and 'Indian Airlines Corporation' for the movement of tea.
- LXIV. Statement showing working capital employed by tea companies in North and South India (management-wise analysis).
- LXV. Consolidated statement showing particulars of loans advanced to producers of tea by five Non-Indian tea brokers.
- LXVI. Statement showing requirements of future capital expenditure (management-wise analysis).
- LXVII. Statement showing quantities of tea sold at different auctions.
- LXVIII. Statement showing quantities of tea shipped to London for sale otherwise than through auctions.
- LXIX. Table showing the method of disposal of the different grades of tea produced by reporting estates (according to types of companies and regions).
- LXX. Statement showing brokerage and other charges by the tea brokers at the important tea auction centres.
- LXXI. Quantity of tea handled by tea brokers at Calcutta and Cochin auctions during the years 1952-1953 to 1954-1955.
- LXXII. Table showing paid-up capital, reserves and profits of five Non-Indian tea broking companies for the three years ending 1953-1954.
- LXXIII. Statement showing particulars of loans advanced to producers of tea by five Non-Indian tea brokers during 1951-1952 to 1953-1954.
- LXXIV. Table showing average wholesale and retail prices of loose tea and package tea per lb. in Calcutta in 1953 and 1954.
- LXXV. Table showing quantities of tea sold in package and loose form by five blending and packing firms during 1951-1954.

- LXXVI. Table showing production of tea in packaged and loose form and availability for internal consumption in 1953-1954 and 1954-1955.
- LXXVII. Table showing quantities of tea packaged and cleared by Central Excise in 1953-1954 and 1954-1955.
- LXXVIII. Statement showing number of valid licenses of different categories at the close of the year 1954 and the total quantity of packaged tea manufactured by different categories of packers.
- LXXIX. Statement showing cost of blending, packing and selling packaged tea of 3 companies.
- LXXX. Statement of enquiries into tea adulteration and sale of tea unfit for human consumption for the period January—December 1954.
- LXXXI. Statement showing total imports of tea in the principal non-producing consuming countries and the proportion of imports from India during the period 1947—1954.
- LXXXII. Statement showing quantity and value of tea exported from India to different countries in the years 1950-1951 to 1954-1955.
- LXXXIII. Tables showing consumption of tea in the principal importing and producing countries during 1950—1954.
- LXXXIV. Summary of allocation of profits (Tables 1—20).
- LXXXV. Statement showing gross profits and their allocation (according to types of companies).
- LXXXVI. Statement showing net profit per acre (before and after providing for taxation) in different regions.
- LXXXVII. Statements showing profits per lb. in different regions.
- LXXXVIII. Statement showing net profits (after taxation) per lb. (management-wise analysis).
- LXXXIX. State and local levies in various States and their incidence on 100 lbs. of tea.
- XC. Statement showing approximate minimum expenditure required to implement the provisions of the Plantation Labour Act, 1951 in North and South India as furnished by UPASI and I.T.P.A.
- XCI. Note showing how the percentages of houses conforming to prescribed standards was arrived at.
- XCII. Survey of medical facilities as furnished by planters Association in North and South India.
- XCIII. Statements showing estimates of capital and recurring expenditure for a 15 bed garden hospital and for implementing the other provisions of P. L. Act, on the basis of the estimates furnished by State Governments and Planters Associations.

- XCIV. Statement showing net increase in recurring expenditure per worker and per lb. due to implementation of the Plantation Labour Act, in North and South India.
- XCV. Statement showing the available internal working funds per acre for 247 tea companies (according to types of management).
- XCVI. Statement showing the retained profits per acre of 247 tea companies (by types of management).
- XCVI-A. Statement showing the retained profits per acre of 247 tea companies (according to regions).
- XCVII. Statement showing area, production, number of estates and yield per acre according to size of holdings in different regions.
- XCVIII. Statement showing yield per acre of estates classified into estates of less than 100 acres, 100 acres and above and estates of all sizes in different regions.
- XCIX. Graph showing consumption of tea in major producing and non-producing countries, 1947—54 (at page 259 of Report).
- C. Statement showing yield per acre arranged according to districts during 1939-53.

ANNEXURE I

Statement showing by categories the various bodies and individuals to whom questionnaires were sent and from whom replies were received

	No. of question- naires is- sued	No. of replies received
A—Tea		
Growers	1,264	905
Growers' Associations	28	10
Brokers	8	6
Blenders, Packers and Dealers	224	25
Chambers of Commerce	21	4
Dealers' Associations	3	2
Labour Unions	4	4
Statutory bodies and State Governments	12	11
Others	14	..
TOTAL .	1,578	967
B—Coffee		
Growers	503	158
Growers' Associations	21	6
Curers	19	6
Dealers, Blenders, Roasters & Packers	340	17
Chambers of Commerce	20	2
Labour Unions	4	..
Statutory bodies and State Governments	5	5
Others	4	..
TOTAL .	916	194
C—Rubber		
Growers	254	110
Growers' Associations	5	2
Dealers	305	3
Manufacturers	42	9
Manufacturer's Associations	2	1
Chambers of Commerce	14	1
Labour Unions	4	..
Statutory bodies and State Governments	5	5
Others	4	1
TOTAL .	635	132

ANNEXURE II

Table showing planted acreage of tea in principal producing countries since 1938

	1938	1939	1940	1941	1942	1943	1944	1945		
India and Pakistan	.	.	8,40,614	8,40,004	8,40,046	8,41,295	8,42,546	8,42,301	8,40,644	8,40,547
Ceylon	.	.	5,55,452	5,53,845	5,52,103	5,51,548	5,49,800	5,49,571	5,49,625	5,49,886
Indonesia	.	.	5,11,381	5,29,894	5,30,489	3,44,680	2,63,953	..	2,21,367	..
Kenya	.	.	13,681	13,993	14,413	14,208	15,313	15,656	15,712	16,019
Uganda	.	.	2,966	3,199	3,524	4,071	4,423	4,458	4,525	..
Tanganyika	.	.	5,265	5,276	5,681	..	6,302	6,451	6,819	..
Nyasaland	.	.	17,519	18,284	18,691	19,900	19,110	19,541	19,594	19,807
Formosa	.	.	1,09,870	1,09,870	..	..	..	..	86,816	84,647
Japan	.	.	98,355	98,965	1,00,329	96,014	89,325	84,629	77,232	65,418

ANNEXURE II—*contd.*

435

	1946	1947	1948	1949	1950	1951	1952	1953	1954
India and Pakistan**	8,42,169	7,71,581 75,061	7,72,543 74,364	7,80,298 75,760	7,83,298 73,201	7,85,884 73,467	7,87,678 73,376	7,89,742 74,362	8,04,847*
Ceylon	5,52,853	5,54,072	5,55,083	5,62,894	5,67,003	5,70,322	5,72,736	5,74,250	5,75,504
Indonesia	..	61,021	1,78,223	1,85,255	2,01,913	2,00,820	1,93,528	1,91,420	1,95,661
Kenya	16,239	16,548	17,100	17,765	18,883	19,873	21,021	21,753	23,406
Uganda	4,525	5,121	5,656	6,157	6,406	7,321	7,901	8,397	8,397
Tanganyika	6,808	7,749	8,313	8,650	9,022	9,973	10,493	10,518	10,518
Nyasaland	20,399	20,616	21,201	22,661	23,500	23,657	23,179	24,726	24,726
Formosa	87,655	97,457	99,413	1,00,893	1,03,849	1,05,524	1,06,255	1,04,255	1,06,255
Japan	60,184	60,827	62,957	65,856	67,821	69,941	74,029	79,973	79,973

NOTE.—(i) *As furnished by Tea Board.

(ii) The acreage figures of 1954 for Uganda, Tanganyika, Nyasaland, and Japan not being available, the previous year's figures have been taken

(iii)**Figures for Pakistan shown separately since 1947.

(iv) In the case of Formosa 1952 figure has been taken for 1953 and 1954.

SOURCE.—International Tea Committee's Bulletin of Statistics June, 1955.

ANNEXURE III

Table showing production of tea in principal producing countries since 1938

	1938	1939	1940	1941	1942	1943	1944	1945	1946
									(in thousand lbs.)
India and Pakistan*	451,861	466,103	474,022	503,141	572,532	554,739	509,064	529,442	592,133
Ceylon	246,931	237,272	265,099	247,870	291,400	268,798	296,851	276,903	282,911
Indonesia	177,794	183,627	181,045	194,158	54,600	..	10, 300	..	..
Kenya	10,856	10,856	11,925	14,229	19,260	13,096	13,787	13,023	12,277
Uganda	490	681	1,004	1,445	1,929	1,747	2,400	2,847	2,656
Tanganyika	522	583	835	1,016	1,417	1,289	1,149	1,278	1,481
Nyasaland	10,858	11,336	12,879	12,872	12,464	11,141	12,936	13,639	13,987
Formosa	26,832	29,180	24,303	24,521	24,118	22,889	9,441	3,153	6,435
Japan	120,631	126,699	128,380	136,182	134,543	124,495	103,782	52,141	47,219

ANNEXURE III—*contd.*

	1947	1948	1949	1950	1951	1952	1953	1954
India and Pakistan*	560,566 41,445	568,307 44,044	584,565 46,193	613,066 52,019	628,655 52,095	613,600 51,538	614,128 54,151	644,100 54,677
Ceylon	298,526	298,791	298,559	306,215	326,279	316,842	343,034	366,738
Indonesia	3,299	28,506	60,118	78,009	102,543	82,181	80,669	103,311
Kenya	13,385	10,037	11,458	14,938	15,326	14,789	12,928	17,490
Uganda	3,865	3,797	3,360	4,143	4,297	3,822	4,794	6,243
Tanganyika	1,370	1,491	1,453	1,749	2,383	2,463	2,821	3,584
Nyasaland	13,254	14,304	12,516	15,407	14,895	15,578	13,386	13,386
Formosa	16,216	18,634	22,453	21,264	23,154	25,534	25,534	25,534
Japan	48,816	57,370	71,831	91,989	97,027	125,998	98,374	149,531

NOTE.—(i) The production figure of 1954 for Nyasaland not being available, 1953 figure has been taken.

(ii) In the case of Formosa 1952 figure has been taken for 1953 & 1954.

(iii) *Figures for Pakistan shown separately since 1947.

SOURCE.—International Tea Committee's Bulletin of Statistics June, 1955.

ANNEXURE IV

Table showing acreage of tea in principal producing countries as percentages of World Acreage

Year	World Acreage	India	Ceylon	Indonesia	Kenya	Uganda	Tanganyika	Nyasaland	Formosa	Japan
1933	•	•	•	•	•	•	•	•	•	•
1939	•	•	•	•	•	•	•	•	•	•
1947	•	•	•	•	•	•	•	•	•	•
1952	•	•	•	•	•	•	•	•	•	•
1953	•	•	•	•	•	•	•	•	•	•
1954	•	•	•	•	•	•	•	•	•	•

ANNEXURE V

Table showing production of tea in principal producing countries as percentages of World Production

Year	World production	India	Ceylon	Indonesia	Kenya	Uganda	Tanganyika	Nyasaland	Formosa	Japan
1933	.	.	.	.	.	.	.	.	.	.
1939	.	.	.	.	.	.	.	.	.	.
1947	.	.	.	.	.	.	.	.	.	.
1952	.	.	.	.	.	.	.	.	.	.
1953	.	.	.	.	.	.	.	.	.	.
1954	.	.	.	.	.	.	.	.	.	.
1933	100	43.20	24.80	18.70	0.34	0.007	0.004	..	2.53	10.97
1939	100	43.48	22.10	17.10	1.01	0.06	0.05	1.05	2.50	11.80
1947	100	54.91	29.20	0.32	1.30	0.38	0.13	1.30	1.60	4.77
1952	100	47.91	24.70	6.40	1.10	0.30	0.20	1.20	1.90	9.80
1953	100	48.08	26.80	6.30	1.01	0.37	0.22	1.09	2.00	7.70
1954	100	46.20	26.30	7.40	1.20	0.45	0.25	1.00	1.80	10.70

ANNEXURE VI-A

Number of registered estates State-wise according to size of holdings
(North-India)

State	Upto 5 Acres	Above 5 but below 25 acres	25 acres but below 50 acres	50 acres but above 100 acres	100 acres to 300 acres	Above 300 up to 500 acres	Above 500 acres	Total
Assam	157	116	340	786
Bengal	39	63	180	295
Cooch Behar	1	..	1
Bihar	1	5	3	9
Uttar Pradesh	14	3	3	46
Tripura	41	10	..	55
Punjab (Kangra)	11	3	1	1,130
Himachal Pradesh	1	..	..	226
TOTAL	1,074	330	65	87	264	201	527	2,548

SOURCE.—Tea Board.

ANNEXURE VI-B

Statement showing the number of registered estates State-wise according to size of holdings

(South-India)

State	Less than 100 acres	Between 101 and 300 acres	Between 301 and 500 acres	501 acres and above	Total
Madras	2,733	49	27	62	2,871
Travancore-Cochin	991	48	23	74	1,136
Mysore	3	3	3	3	12
Coorg . . . . .	..	..	1	..	1
TOTAL	3,727	100	54	139	4,020

SOURCE.—Tea Board.

ANNEXURE VIII

Table showing acreage under tea in India classified as 'Indian' and 'Non-Indian' (According to management)

Size of holdings	Indian				Non-Indian			
	Estimated No. of Estates	Area (in acres)	% to Total Indian Acreage	% to Total All India Acreage	Estimated No. of Estates	Area (in acres)	% to Total All India Acreage	
1	2	3	4	5	6	7	8	
Upto 100 Acres	
100-300	0.8	
300-500	4.6	
Above 500	59.5	
TOTAL	64.9	

NOTE.—Figures in columns 3 and 7 have been computed as explained in the note attached.

Figures in columns 2 and 6 have been computed on the basis that the number of Non-Indian and Sterling estates who have reported fully cover the estates under these categories, the non reporting estates assumed to be Indian.

NOTE:—(i) *Indian includes all companies under Indian control viz., C₁, D₁ and 2, and E₁ (of Table VIII).

(ii) †Non-Indian includes all Sterling companies and companies under Non-Indian control,—*viz* A, B, D₃, E₂, and E₃ (of Table VIII).

ANNEXURE IX

Statement showing number and area of estates of less than 100 acres

Name of State	Number of Estates	Area in Acres
Assam	173	6,575·92
West Bengal	13	409·91
Cooch Bihar		
Bihar . . . . .	..	..
Uttar Pradesh	26	855·57
Tripura	4	137·89
Punjab (Kangra)	1,115	6,342·22
Himachal Pradesh	225	874·73
TOTAL NORTH INDIA .		1,556 15,196·24
Madras	2,733	12,196·81
T. C. State	991	5,019·90
Mysore	3	122·60
Coorg . . . . .	..	..
TOTAL SOUTH INDIA .		3,727 17,639·31
TOTAL ALL-INDIA .		5,283 32,835·55

SOURCE.—Tea Board.

ANNEXURE X

Production of tea by estates under the management of thirteen agency houses, in North India

Name of Agency House	*Production (in lbs.)
(1)	(2)
A	26,876,431
B	46,542,118
C	48,117,400
D	23,552,934
E	22,588,921
F	19,340,468
G	7,063,307
H	26,138,711
J	28,643,232
K	19,760,924
L	40,183,213
M	42,217,995
N	24,173,611
TOTAL (1)	375,199,265
Total North Indian Production (2)	486,875,000
Percentage of (1) to (2)	77%

NOTE.—*Figures of production are for the year 1953.

ANNEXURE XI

Composition of the share-structure and Boards of Directors in a few agency houses in Calcutta

Name of Agency House	Percentage of shares held by		No. of Directors	
	Indian	Non-Indian	Indian	Non-Indian
(1)	(2)	(3)	(4)	(5)
A	26.42	73.58	..	5
B	31.65	68.35	1	4
C	Less than 2%	..	..	All Non-Indian.
D	11.69	88.31	2	4
E	57.96	42.04	3	5
G	N.A.	N.A.	..	4
H	41.77	58.23	4	7
J	50.00	50.00	2	6
K	54.69	45.31	4	6
M	49.00	51.00	..	3
N	5.6 (ord.) 27.8 (pre.)	94.4 (ord.) 72.2 (pre.)	2	11
P	88.92	11.08	4	1
Q	76.59	23.41	3	3

NOTE: N.A.—Not available.

SOURCE —Replics received to questionnaire.

ANNEXURE XII

Functions of the Tea Board

(*Tea Act 1953*).

1. It shall be the duty of the Board to promote, by such measures as it thinks fit, the development under the control of the Central Government of the Tea industry.

2. Without prejudice to the generality of the provisions of sub-section (1), the measures referred to therein may provide for—

- (a) regulating the production and extent of cultivation of tea;
- (b) improving the quality of tea;
- (c) promoting co-operative efforts among growers and manufacturers of tea;
- (d) undertaking, assisting or encouraging scientific, technological and economic research and maintaining or assisting in the maintenance of demonstration farms and manufacturing stations;
- (e) assisting in the control of insects and other pests and diseases affecting tea;
- (f) regulating the sale and export of tea;
- (g) training in tea tasting and fixing grade standards of tea;
- (h) increasing the consumption in India and elsewhere of tea and carrying on propaganda for that purpose;
- (i) registering and licensing of manufacturers, brokers, tea waste dealers and persons engaged in the business of blending tea;
- (j) improving the marketing of tea in India and elsewhere;
- (k) collecting statistics from growers, manufacturers, dealers and such other persons as may be prescribed on any matter relating to the Tea industry; the publication of statistics so collected or portions thereof or extracts therefrom;
- (l) securing better working conditions and the provisions and improvement of amenities and incentives for workers;
- (m) such other matters as may be prescribed.

3. The Board shall perform its functions under this section in accordance with and subject to such rules as may be made by the Central Government.

ANNEXURE XIII

Statement showing capital invested in tea plantations as on 30th June, 1954

A—STERLING COMPANIES

(Figures in Cols. 5 to 10 in thousand Rs.)

Region	No. of Cos.	Acreage	Production in 1953 (in '000 lbs.)	Paid-up Capital	General Reserves	Taxation	Profit & Loss a/c Balance	Total Re- serves Less Taxation	Paid-up- Capital plus Reserves (Less Taxa- tion Reser- ves)
1	2	3	4	5	6	7	8	9	10
Assam	{	71	1,78,075	15,50,72	15,94,65	3,07,21	1,31,26	17,25,91	32,76,63
		2*	2,6,444	3,24,25	73,65	26,57	27,08	1,00,73	4,24,08
Cachar	22	34,938	22,867	2,23,72	77,14	12,38	(—)16,48	60,66	2,84,38
West Bengal	21	69,244	63,001	5,22,98	3,93,72	1,17,27	43,33	4,37,05	9,60,03
South India	18	46,231	74,631	2,79,22	2,23,42	63,76	32,76	2,55,99	5,35,21
	5	44,751	..	3,73,10	2,74,98	1,00,52	35,11	3,10,09	6,83,19
GRAND TOTAL	129	3,98,783	345,036	32,73,99	26,37,56	6,27,71	2,52,87	28,90,43	61,64,42

NOTE:—(i) *Denotes companies having other interests besides tea.

(ii) Figures of paid up capital, etc. are estimated.

SOURCE.—Returns from Estates.

ANNEXURE XIII —*Contd.**Statement showing capital invested in tea plantations as on 30th June, 1954***B—RUPEE NON-INDIAN CONTROLLED COMPANIES**

(Figures in Cols. 5, 6, 7 & 8 in thousand Rs.)

Region	No. of Cos.	Acreage	Production (in '000' lbs.)	Paid-up capital	Reserve	P.&L.a/c. Balance	Total
1	2	3	4	5	6	7	8
Assam . .	45	40,685	33,861	3,68,99	1,80,78	44,16	5,93,93
Cachar . .	12	10,167	6,360	68,08	24,64	17,01	75,71
West Bengal .	46	40,437	32,207	2,89,42	1,59,30	47,73	4,96,45
South India .	6	4,787	4,195	66,37	10,16	18,99	95,52
	9*	10,395	8,764	10,725	40,14	22,69	1,70,08
	1†	3,075	2,329	50,00	33,75	52,33	1,36,08
TOTAL .	119	1,10,146	87,716	9,50,11	4,48,77	1,68,89	15,67,77

NOTE.—*Denotes companies having other interests besides tea (figures are estimated).

† Subsidiary of a holding company incorporated in U.K.

SOURCE.—Returns from estates.

*Statement showing capital invested in tea plantations as on 30th June, 1954***C—RUPEE INDIAN CONTROLLED COMPANIES**

(Figures in Cols. 5, 6, 7 & 8 in thousand Rs.)

Region	No. of Cos.	Acreage	Production (in '000' lbs.)	Paid-up capital	Reserves	P. & L. a/c Balance	Total
1	2	3	4	5	6	7	8
Assam . .	60	26,484	21,614	2,82,36	45,24	59,36	3,86,96
Cachar . .	5	4,188	1,531	19,02	5,47	—5,51	18,98
West Bengal .	137	80,791	68,127	5,91,99	1,58,66	1,92,33	9,42,98
Tripura . .	12	2,900	1,530	23,48	3,57	6,04	33,09
Uttar Pradesh .	2	1,865	488	12,61	1,48	1,03	15,12
Bihar . .	4	2,316	1,963	18,59	4,20	10,48	33,27
South India*	16	8,202	8,210	1,00,00	30,54	22,28	1,52,82
South India†	15	8,951	7,121	1,35,81	31,11	24,74	1,91,66
TOTAL .	251	1,35,697	1,10,584	11,83,86	2,80,27	3,10,75	17,74,88

NOTE.—*Denotes companies having tea interests only.

† Denotes companies having other interest besides tea (Estimated).

SOURCE.—Returns from estates.

ANNEXURE XIV

Capital invested in tea plantations by Partnership and Proprietary concerns

Region	Number of estates	Registered Acreage	Capital Invested in '000 Rs.)	Capital invested per acre (in Rs.)
<i>Indian (Rupee)</i>				
Assam	23	6,456	1,54,79	2,397·6
Cachar	4	1,682	12,41	737·8
Uttar Pradesh	1	120	5,60	4,666·7
Dooars	4	2,908	43,35	1,490·7
Darjeeling	10	5,521	63,77	1,155·0
Tripura	5	1,282	14,01	1,092·8
South India	17	4,390	87,50	1,993·2
TOTAL	64	22,359	3,81,43	1,706·0
<i>Non-Indian (Rupee)</i>				
Dooars	2	1,099	6,31	574·2
Uttar Pradesh	2	422	10,00	2,369·7
Darjeeling	2	573	7,00	1,221·6
South India	7	2,046	45,71	2,234·1
TOTAL	13	4,140	69,02	1,667·2
<i>Non-Indian (Sterling)</i>				
Assam	1	1,773	40,00	2,256·1
South India	4	1,247	22,68	1,818·8
TOTAL	5	3,020	62,68	2,075·5

SOURCE.—Returns from estates.

ANNEXURE XV

Statement showing Rubee tea companies classified according to the value of their paid-up capital

(In No. of companies)

All India

Type of Ownership/Management	Total No. of Compa- nies	Less than Rs. 2 lacs	Rs. 2 to 5 lacs	Rs. 5 to 10 lacs	Rs. 10 to 15 lacs	Rs. 15 to 20 lacs	Rs. 20 to 30 lacs	Rs. 30 to 40 lacs	Rs. 40 to 50 lacs	Rs. 50 to 60 lacs	Rs. 60 lacs & above
<i>Non-Indian Managing Agents Control :</i>											
Non-Indian	46	3	24	14	3	1	..	1	..	..	..
Partly Indian & Partly Non-Indian	69	5	23	24	7	5	2	1	1	1	..
Indian	2	1	1	..	..	..	..	..	..	..	..
<i>Indian Managing Agents Control :</i>											
Indian	73	16	27	18	7	3	1	..	..	1	..
Partly Indian & Partly Non-Indian	13	3	5	5	..	..	..	..	..	..	..
<i>Outside Managing Agents Control :</i>											
Public Ltd. Indian	139	32	67	35	4	..	..	..	..	1	..
Private Ltd. Indian	25	9	8	6	2	..	..	..	..	..	..
Private Ltd. Non-Indian	1	..	1	..	..	..	..	..	..	..	..
TOTAL	368	69	156	102	23	9	3	1	3	..	..

Source.—Data furnished by estates.

ANNEXURE XVI

Composite balance sheet for 247 companies under all groups

Item	(In thousand Rs.)		
	1939	1946	1953
<i>Liabilities.</i>			
Paid-up Capital	24,32,34 (58.18)	24,63,36 (43.53)	28,67,00 (32.35)
<i>Reserves—</i>			
General	5,45,35 (13.05)	7,81,95 (13.94)	12,60,55 (14.21)
Taxation	58,97 (1.41)	3,42,66 (6.1)	5,82,00 (6.57)
Other Specific	1,77,00 (4.23)	3,78,88 (6.76)	9,21,31 (10.40)
P. & L. a/c Balance	4,13,01 (9.88)	4,71,37 (8.41)	3,87,81 (4.38)
TOTAL	11,94,33 (28.57)	19,74,26 (35.21)	31,51,67 (35.56)
<i>Borrowings—</i>			
Banks	28,19 (6.67)	55,82 (10)	2,78,25 (3.14)
Other Finance	2,18,62 (5.23)	2,10,43 (3.91)	5,23,61 (5.91)
Other Liabilities	3,97,17 (7.35)	8,94,47 (15.15)	20,42,97 (23.4)
TOTAL	5,53,98 (13.25)	11,69,72 (20.86)	28,44,23 (32.09)
TOTAL	41,80,65 (100)	56,67,24 (100)	88,62,90 (100)
<i>Assets—</i>			
Fixed	24,20,18 (57.89)	23,82,91 (42.50)	33,88,29 (38.23)
Floating	17,60,47 (42.11)	32,24,43 (57.50)	54,74,61 (61.77)
TOTAL	41,80,65 (100)	56,07,34 (100)	88,62,90 (100)

NOTE.—Figures in brackets are percentages.

ANNEXURE XVI—*contd.*
Composite balance sheet of 95 Sterling companies

(In thousand Rs.)

Item	1939	1946	1953
Liabilities—			
Paid-up Capital	19,01,99 (60·89)	19,14,67 (48·68)	19,70,33 (31·30)
Reserves—			
General	3,87,67 (12·41)	4,99,90 (12·71)	8,53,30 (13·55)
Taxation	55,26 (1·77)	2,46,01 (6·26)	4,19,39 (6·66)
Other Specific	1,06,73 (3·42)	2,29,64 (5·84)	6,91,67 (10·99)
P. & L. a/c Balance	2,78,32 (8·91)	1,61,55 (4·11)	1,59,92 (2·54)
TOTAL	8,27,98 (26·51)	11,37,10 (28·92)	21,24,28 (33·74)
Borrowings—			
Banks	13,93 (0·44)	33,20 (0·84)	2,02,20 (3·21)
Other Finance	1,40,48 (4·50)	1,51,18 (3·84)	3,55,23 (5·65)
Other Liabilities	2,39,22 (7·66)	6,96,74 (17·72)	16,43,36 (26·10)
TOTAL	3,93,63 (12·60)	8,81,12 (22·40)	22,00,79 (34·96)
TOTAL	31,23,60 (100)	39,32,89 (100)	62,95,40 (100)
Assets—			
Fixed	17,45,14 (55·87)	16,85,64 (42·86)	22,74,25 (36·13)
Floating	13,78,46 (44·13)	22,47,25 (57·14)	40,21,15 (63·87)
TOTAL	31,23,60 (100)	39,32,89 (100)	62,95,40 (100)

NOTE.—Figures in brackets are percentages.

ANNEXURE XVI—*contd.*

Composite balance sheet of 25 Non-Indian companies under Non-Indian Managing Agents control

(In thousand Rs.)

Item	1939	1946	1953
Liabilities—			
Paid-up Capital	1,31,52 (55·54)	1,31,52 (38·82)	1,57,79 (34·37)
Reserves—			
General	45,11 (19·05)	65,84 (19·43)	54,77 (11·93)
Taxation	2,29 (0·97)	18,04 (5·32)	11,86 (2·58)
Other Specific	16,04 (6·78)	46,01 (13·58)	69,11 (15·06)
P. & L. a/c Balance	21,91 (9·25)	45,57 (13·45)	19,63 (4·28)
TOTAL	85,35 (36·05)	1,75,46 (51·78)	1,55,37 (33·85)
Borrowings—			
Banks	3,70 (1·56)	5,91 (1·74)	28,06 (6·12)
Other Finance	2,75 (1·16)	1,16 (0·34)	61,97 (13·50)
Other Liabilities	13,47 (5·69)	24,79 (7·32)	55,84 (12·16)
TOTAL	19,92 (8·41)	31,86 (9·4)	1,45,87 (31·78)
Assets—			
Fixed	1,47,71 (62·38)	1,44,12 (42·53)	2,30,49 (50·21)
Floating	89,08 (37·62)	1,94,72 (57·47)	2,28,54 (49·79)
TOTAL	3,36,79 (100)	3,38,84 (100)	4,59,03 (100)

NOTE.—Figures in brackets are percentages.

ANNEXURE XVI—*contd.*

Composite balance sheet of 51 partly Indian companies under Non-Indian Managing Agents control

(In thousand Rs.)

Item	1939	1946	1953
<i>Liabilities—</i>			
Paid-up Capital	2,14,51 (50·47)	2,24,34 (34·03)	3,47,85 (34·79)
<i>Reserves—</i>			
General	86,52 (20·36)	1,51,24 (22·93)	2,41,27 (24·13)
Taxation	37 (0·09)	31,55 (4·79)	43,05 (4·30)
Other Specific	21,63 (5·09)	57,60 (8·74)	48,81 (4·88)
P. & L. a/c Balance	43,26 (10·17)	64,13 (9·73)	41,27 (4·13)
TOTAL	1,51,78 (35·71)	3,04,52 (45·19)	3,74,40 (37·44)
<i>Borrowings—</i>			
Banks	1,27 (0·30)	3,00 (0·46)	6,76 (0·68)
Other Finance	26,25 (6·18)	19,15 (2·90)	60,02 (6·00)
Other Liabilities	31,21 (7·34)	1,08,24 (16·42)	2,10,93 (21·09)
TOTAL	58,73 (13·82)	1,30,39 (19·78)	2,77,71 (27·77)
TOTAL	4,25,02 (100)	6,59,25 (100)	9,99,96 (100)
<i>Assets—</i>			
Fixed	2,50,98 (59·05)	2,57,94 (39·13)	3,95,37 (39·54)
Floating	1,74,04 (40·95)	4,01,31 (60·87)	6,04,59 (60·46)
TOTAL	4,25,02 (100)	6,59,25 (100)	9,99,96 (100)

NOTE.—Figures in brackets are percentages.

ANNEXURE XVI—*contd.*

Composite balance sheet of 19 Indian companies under Indian Managing Agents control

(In thousand Rs.)

Item	1939	1946	1953
<i>Liabilities—</i>			
Paid-up Capital	52,06 (45·52)	52,86 (25·78)	1,12,01 (35·16)
<i>Reserves—</i>			
General	2,80 (2·45)	19,02 (9·27)	37,49 (11·77)
Taxation . . . . .	..	20,18 (9·84)	31,73 (10·9)
Other Specific	14,49 (12·67)	24,82 (12·10)	28,03 (8·80)
P. & L. a/c. Balance	22,22 (19·43)	52,30 (25·50)	46,71 (14·66)
TOTAL	39,51 (34·55)	1,16,32 (56·71)	1,46,96 (46·13)
<i>Borrowings—</i>			
Banks	3,99 (3·49)	2,12 (1·04)	11,08 (3·48)
Other Finance	14,13 (12·35)	17,07 (8·32)	11,19 (3·51)
Other Liabilities	4,67 (4·09)	16,72 (8·15)	37,35 (11·72)
TOTAL	22,79 (19·93)	35,91 (17·51)	59,62 (18·71)
TOTAL	1,14,36 (100)	2,05,09 (100)	3,18,59 (100)
<i>Assets—</i>			
Fixed	88,68 (77·54)	91,83 (44·77)	1,31,04 (41·14)
Floating	25,68 (22·46)	1,13,26 (55·23)	1,87,55 (58·86)
TOTAL	1,14,36 (100)	2,05,09 (100)	3,18,59 (100)

NOTE. Figures in brackets are percentages.

ANNEXURE XVI—*contd.*

Composite balance sheet of 11 partly Non-Indian companies under Indian Managing Agents control

(In thousand Rs)

Item	1939	1946	1953
Liabilities—			
Paid-up Capital	37,38 (68.92)	37,38 (41.32)	47,17 (31.94)
Reserves—			
General	6,48 (11.95)	23,38 (25.84)	36,40 (24.65)
Taxation	72 (1.33)	5,60 (6.19)	3,81 (2.58)
Other Specific	1,60 (2.94)	2,45 (2.70)	14,32 (9.68)
P. & L. a/c Balance	3,30 (6.09)	9,84 (10.87)	1,42 (0.98)
TOTAL	12,10 (22.31)	41,27 (45.60)	55,95 (37.89)
Borrowings—			
Banks . . . . .	.. ..	6 (0.07)	5,69 (3.85)
Other Finance	1,49 (2.76)	5,67 (6.26)	18,13 (12.28)
Other Liabilities	3,26 (6.01)	6,11 (6.75)	20,72 (14.03)
TOTAL	4,75 (8.77)	11,84 (13.08)	44,54 (30.16)
TOTAL	54,23 (100)	90,49 (100)	1,47,66 (100)
Assets—			
Fixed	35,91 (66.22)	35,87 (39.64)	64,95 (43.8)
Floating	18,32 (33.78)	54,62 (60.36)	82,71 (56.02)
TOTAL	54,23 (100)	90,49 (100)	1,47,66 (100)

NOTE:—Figures in brackets are percentages.

ANNEXURE XVI—*contd.**Composite balance sheet of 43 Director controlled Public Limited companies (Indian)*

(In thousand Rs.)

Item	1939	1946	1953
Liabilities—			
Paid-up Capital	91,59 (41·16)	98,54 (26·49)	2,26,76 (36·02)
Reserves—			
General	16,76 (7·53)	22,57 (6·07)	36,31 (5·77)
Taxation	32 (0·14)	20,69 (5·56)	69,15 (10·99)
Other Specific	16,28 (7·32)	18,12 (4·87)	67,89 (10·78)
P. & L. a/c Balance	43,68 (19·63)	1,36,53 (36·70)	1,15,78 (18·39)
TOTAL	77,04 (34·62)	1,97,91 (53·20)	2,89,13 (45·93)
Borrowings—			
Banks	5,29 (2·38)	9,89 (2·65)	24,10 (3·83)
Other Finance	33,35 (14·99)	24,25 (6·52)	16,85 (2·68)
Other Liabilities	15,25 (6·85)	41,43 (11·14)	72,66 (11·54)
TOTAL	53,89 (24·22)	75,57 (20·31)	1,13,61 (18·05)
TOTAL	2,22,52 (100)	3,72,02 (100)	6,29,50 (100)
Assets—			
Fixed	1,48,28 (66·64)	1,62,64 (43·72)	2,85,75 (45·39)
Floating	74,24 (33·36)	2,09,38 (56·28)	3,43,75 (54·61)
TOTAL	2,22,52 (100)	3,72,02 (100)	6,29,50 (100)

NOTE.—Figures in brackets are percentages.

ANNEXURE XVI—*contd.**Composite balance sheet of 3 Director controlled Private Limited companies (Indian)*

(In thousand Rs.)

Item	1939	1946	1953
<i>Liabilities—</i>			
Paid-up Capital	3,29 (80·35)	4,04 (46·08)	5,10 (39·91)
<i>Reserves—</i>			
General . . . . .	..	..	1,00 (7·82)
Taxation . . . . .	..	..	1 (0·10)
Other Specific	23 (5·64)	24 (2·71)	1,48 (11·60)
P. & L. a/c Balance	32 (7·71)	1,45 (16·56)	3,09 (24·17)
TOTAL	55 (13·35)	1,69 (19·27)	5,58 (43·69)
<i>Borrowings—</i>			
Banks . . . . .	..	165 (18·77)	36 (2·82)
Other Finance	17 (4·22)	95 (10·78)	21 (1·66)
Other Liabilities	8 (1·98)	45 (5·1)	1,52 (11·92)
TOTAL	25 (6·20)	3,05 (34·65)	2,09 (16·40)
TOTAL	4,09 (100)	8,78 (100)	12,77 (100)
<i>Assets—</i>			
Fixed	3,46 (84·62)	4,89 (55·76)	6,44 (50·43)
Floating	63 (15·38)	3,89 (44·24)	6,33 (49·57)
TOTAL	4,09 (100)	8,78 (100)	12,77 (100)

NOTE.—Figures in brackets are percentages.

ANNEXURE XVII

Table showing increase in assets of 247 companies of all groups during 1939—1953

(Figures in Cols. 1 to 6 in thousand Rs.)

Item	1939 (1)	1946 (2)	1953 (3)	Increase 1939—1946 (4)	Increase 1946—1953 (5)	Increase 1939—1953 (6)	% of 4 to 1 (7)	% of 5 to 2 (8)	% of 6 to 1 (9)
Fixed Assets	.	24,20,17	33,88,29	--37,27	10,05,39	9,68,12	--1.54	42.19	40.00
Floating Assets	.	17,60,47	32,24,43	14,63,96	22,50,19	37,14,15	83.15	69.79	210.97
TOTAL	.	41,80,64	88,62,91	14,26,69	32,55,58	46,82,27	34.12	58.05	111.99

Table showing increase in assets of 95 Sterling companies during 1939—1953

(Figures in Cols. 1 to 6 in thousand Rs.)

Item	1939 (1)	1946 (2)	1953 (3)	Increase 1939—1946 (4)	Increase 1946—1953 (5)	Increase 1939—1953 (6)	% of 4 to 1	% of 5 to 2	% of 6 to 1
Fixed Assets	.	17,45,14	22,74,25	--59,50	5,88,61	5,29,11	--3.41	34.92	30.32
Floating Assets	.	13,78,46	40,21,15	8,68,80	17,73,89	26,42,69	63.02	78.95	191.70
TOTAL	.	31,23,60	62,95,40	8,09,30	23,62,50	31,71,80	25.90	60.07	101.54

ANNEXURE XVIII—contd.

Table showing increase in assets of 25 Non-Indian companies under Non-Indian Managing Agents Control during 1939—1953

(Figures in Cols. 1 to 6 in thousand Rs.)

Item	1939 (1)	1946 (2)	1953 (3)	Increase 1939—1946 (4)	Increase 1946—1953 (5)	Increase 1939—1953 (6)	% of 4 to 1	% of 5 to 2	% of 6 to 1
Fixed Assets . . .	1,47,71	1,44,12	2,30,49	-3,59	86,37	82,78	-2.43	59.93	56.04
Floating Assets . . .	89,09	1,94,72	2,28,54	1,05,63	33,82	1,39,45	118.56	17.37	156.53
TOTAL	2,36,80	3,38,84	4,59,03	1,02,04	1,20,19	2,22,23	43.09	35.47	93.84

Table showing increase in assets of 51 partly Indian companies under Non-Indian Managing Agents control during 1939—1953.

(Figures in Cols. 1 to 6 in thousand Rs.)

Item	1939 (1)	1946 (2)	1953 (3)	Increase 1939—1946 (4)	Increase 1946—1953 (5)	Increase 1939—1953 (6)	% of 4 to 1	% of 5 to 2	% of 6 to 1
Fixed Assets . . .	2,50,98	2,57,93	3,95,36	6,95	1,37,43	1,44,38	2.79	53.28	57.51
Floating Assets . . .	1,74,04	4,01,31	6,04,58	2,27,27	2,03,27	4,30,54	130.56	50.65	247.74
TOTAL	4,25,02	6,59,24	9,99,94	2,34,22	3,40,70	5,74,92	55.10	51.68	135.26

ANNEXURE XVII—contd.

Table showing increase in assets of 19 Indian companies under Indian Managing Agents control during 1939—1953

(Figures in Cols. 1 to 6 in thousand Rs.)

Item	1939 (1)	1946 (2)	1953 (3)	Increase 1939—1946 (4)	Increase 1946—1953 (5)	Increase 1939—1953 (6)	% of 4 to 1	% of 5 to 2	% of 6 to 1
Fixed Assets . . .	88,68	91,82	1,31,03	39,14	39,21	42,35	3.54	42.69	47.75
Floating Assets . . .	25,69	1,13,27	1,87,54	87,58	74,27	1,61,85	340.96	65.57	623.11
TOTAL . . .	1,14,37	2,05,09	3,18,57	90,72	1,13,48	2,04,20	79.32	55.33	178.54

Table showing increase in assets of 11 partly Non-Indian companies under Indian Managing Agents control during 1939—1953

(Figures in Cols. 1 to 6 in thousand Rs.)

Item	1939 (1)	1946 (2)	1953 (3)	Increase 1939—1946 (4)	Increase 1946—1953 (5)	Increase 1939—1953 (6)	% of 4 to 1	% of 5 to 2	% of 6 to 1
Fixed Assets . . .	35,92	35,87	64,95	--5	29,08	29,03	--0.14	81.08	80.84
Floating Assets . . .	18,32	54,62	82,72	36,30	28,10	64,40	198.05	51.44	351.37
TOTAL . . .	54,24	90,49	1,47,67	36,25	57,18	93,43	66.83	63.19	172.25

ANNEXURE XVII—*contd.*

Table showing increase in assets of 43 Director controlled Indian Public Limited companies during 1939—1953

(Figures in Cols. 1 to 6 in thousand Rs.)

Item	1939 (1)	1946 (2)	1953 (3)	Increase 1939—1946 (4)	Increase 1946—1953 (5)	Increase 1939—1953 (6)	% of 4 to 1	% of 5 to 2	% of 6 to 1
Fixed Assets . . .	1,48,28	1,62,63	2,25,76	14,35	1,23,13	1,37,48	9.67	75.71	92.71
Floating Assets . . .	74.24	2,99,37	3,43,75	1,35,13	1,34,38	2,69,51	182.03	64.18	363.03
TOTAL . . .	2,22,52	3,72,00	6,29,51	1,49,48	2,57,51	4,06,99	61.17	68.95	182.89

Table showing increase in assets of 3 Director controlled Indian Private Limited companies during 1939—1953

(Figures in Cols. 1 to 6 in thousand Rs.)

Item	1939 (1)	1946 (2)	1953 (3)	Increase 1939—1946 (4)	Increase 1946—1953 (5)	Increase 1939—1953 (6)	% of 4 to 1	% of 5 to 2	% of 6 to 1
Fixed Assets . . .	3.46	4.89	6.45	1.43	1.56	2.99	41.44	31.80	86.42
Floating Assets . . .	63	3,88	6,34	3,25	2,46	5,71	517.41	63.30	908.25
TOTAL . . .	4.09	8.77	12.79	4.68	4.02	8.70	116.67	45.72	212.99

SOURCE.—Balance sheets and profit and loss a/c from companies.

ANNEXURE XVIII

Statement showing proportion of land and other assets to total fixed assets

Year 1954

Type of Ownership/Management (1)	No. of Cos. (2)	Land (3)	Building (4)	Plant and Machinery (5)	Others (6)	Total Fixed Assets (7)
<i>Sterling companies (controlled by Managing Agents/Secretaries etc.)</i>	7	53.83	29.10	15.33	1.74	100
<i>Non-Indian Managing Agents Control:</i>						
Non-Indian	14	33.32	38.78	23.80	4.10	100
Partly Indian and partly Non-Indian	19	42.52	31.03	21.73	4.72	100
<i>Indian Managing Agents Control:</i>						
Indian	10	35.61	35.74	22.42	6.23	100
Partly Indian and Partly Non-Indian	4	32.02	34.90	28.56	4.52	100
<i>Outside Managing Agents Control:</i>						
Public Ltd. Indian	21	42.70	31.00	22.00	4.30	100
TOTAL	75	45.50	31.70	19.40	3.40	100

SOURCE.—Balance sheet and profit & loss a/c of companies.

ANNEXURE XIX

Table showing sources of financing capital formation of 247 companies under all groups

(Figures in Cols. 1 to 6 in/thousand/Rupees)

Source	1939 (1)	1946 (2)	1953 (3)	Increase 1939-1946 (4)	Increase 1946-1953 (5)	Increase 1939-1953 (6)	% of 4 to 1 1939-1953 (7)	% of 5 to 2% of 6 to 1 (8)	(9)
Paid-up Capital (including capitalised Reserves).	24,32,34	24,63,36	28,67,00	31,02	4,03,64	4,34,66	1'28	16'39	17'87
General Reserves	5,45,35	7,81,95	12,60,55	2,36,60	4,78,60	7,15,20	43'39	61'21	131'15
Taxation Reserves	58,97	3,42,06	5,82,00	2,83,09	2,39,94	5,23,03	480'06	70'15	886'94
Other specific Reserves	1,77,00	3,78,88	9,21,31	2,01,88	5,42,43	7,44,31	114'06	143'17	420'52
Profit and Loss Account Balance	4,13,01	4,71,37	3,87,81	58,36	-83,56	-25,20	14.13	-17'73	-6'10
Borrowings	5,53,98	11,69,72	28,44,24	6,15,74	16,74,52	22,90,26	111'15	143'16	413'42
	(28,19)	(55,82)	(2,78,25)	(27,63)	(2,22,43)	(2,50,06)	(98'01)	(398'48)	(887'09)

NOTE: Figures in brackets relate to bank borrowings.

ANNEXURE XIX—*contd.**Table showing sources of financing capital formation of 51 Partly Indian companies under Non-Indian Managing Agents control*

(Figures in Cols. 1 to 6 in thousand Rupees)

Source	1939 (1)	1946 (2)	1953 (3)	Increase 1939-1946 (4)	Increase 1946-1953 (5)	Increase 1939-1953 (6)	% of 4 to 1 (7)	% of 5 to 2 (8)	% of 6 to 1 (9)
Paid-up Capital (including capitalised Reserves)	2,14,51	2,24,34	3,47,85	9,83	1,23,51	1,33,34	4.58	55.05	62.16
General Reserves	86,52	1,51,24	2,41,27	64,72	90,03	1,54,75	74.79	59.53	178.85
Taxation Reserves	37	31,55	43,05	31,18	11,50	42,68	8,424.32	36.44	11,532.43
Other Specific Reserves	21,63	57,60	48,81	35,97	-8,79	27,18	166.34	-15.27	125.66
Profit and Loss Account Balance	43,26	64,13	41,27	20,87	-22,86	-1,99	48.24	-35.65	-4.60
Borrowings	58,73 (1,27)	1,30,38 (3,00)	2,77,71 (6,76)	71,65 (1,73)	1,47,33 (3,76)	2,18,98 (5,49)	122.00 (136.22)	112.99 (125.33)	372.86 (432.28)

Table showing sources of financing capital formation of 19 Indian companies under Indian Managing Agents control

(Figures in Cols. 1 to 6 in thousand Rupees)

Source	1939 (1)	1946 (2)	1953 (3)	Increase 1939-1946 (4)	Increase 1946-1953 (5)	Increase 1939-1953 (6)	% of 4 to 1 (7)	% of 5 to 2 (8)	% of 6 to 1 (9)
Paid-up Capital (including capitalised Reserves)	52,06	52,86	1,12,01	80	59,15	59,95	1.54	111.88	115.16
General Reserves	2,80	19,02	37,49	16,22	18,47	34,69	579.28	97.06	1,238.93
Taxation Reserves	..	20,18	34,73	20,18	14,55	34,73	..	72.10	..
Other Specific Reserves	14,49	24,82	28,03	10,33	3,21	13,54	71.22	12.93	93.44
Profit and Loss Account Balance	22,22	52,30	46,71	30,08	-5,59	24,49	135.38	-10.69	110.22
Borrowings	22,79 (3,99)	35,91 (2,12)	59,61 (11,08)	13,12 (-1,87)	23,70 (8,96)	36,82 (7,09)	57.57 (46.87)	65.99 (422.64)	161.56 (177.60)

NOTE: Figures in brackets relate to bank borrowings.

ANNEXURE XIX—*contd.*

Table showing sources of financing capital formation of 11 partly Non-Indian companies under Indian Managing Agents control

Source	(Figures in columns 1 to 6 in thousand Rupees)					
	1939 (1)	1946 (2)	1953 (3)	Increase 1939—1946 (4)	Increase 1946—1953 (5)	Increase 1939—1953 (6)
Paid-up Capital (Including Capitalised Reserves).	37.38	37.38	47.17	..	9.79	9.79
General Reserves	6.48	23.38	36.40	16.90	13.02	29.92
Taxation Reserves	..	5.60	3.81	4.88	-1.79	3.09
Other Specific Reserves	1.60	2.45	14.32	85	11.17	12.72
Profit and Loss Account Balance	3.30	9.84	1.42	6.54	-8.42	-1.88
Borrowings	4.76	11.84	44.54	7.08	32.70	39.78
	..	(6)	(5.69)	(6)	(5.63)	(5.69)
						.. (9,383.33)
						26.16
						55.69
						461.63
						429.17
						795.63
						-56.97
						835.92
						..

Table showing sources of financing capital formation of 43 Director controlled Indian Public Limited companies

Source	(Figures in columns 1 to 6 in thousand Rupees)					
	1939 (1)	1946 (2)	1953 (3)	Increase 1939—1946 (4)	Increase 1946—1953 (5)	Increase 1939—1953 (6)
Paid-up Capital (including capitalised Reserves).	91.59	98.54	2,26.76	6.95	1,28.22	1,35.17
General Reserves	16.76	22.57	36.31	5.81	13.74	19.55
Taxation Reserves	32	20.69	69.15	20.37	48.46	68.83
Other Specific Reserves	16.28	18.12	67.89	1.84	49.77	51.61
Profit and Loss Account Balance	43.68	1,36.53	1,15.78	92.85	-20.75	72.10
Borrowings	53.90 (5.29)	75.56 (9.89)	1,13.61 (24.10)	21.66 (4.60)	38.05 (14.21)	59.71 (18.81)
						40.19
						(86.77)
						15.20
						165.06
						110.78
						(355.58)

NOTE: Figures in brackets relate to bank borrowings.

ANNEXURE XIX—*contd.*

Table showing sources of financing capital formation of 3 Director controlled Private Limited companies (Indian)

(Figures in columns 1 to 6 in thousand Rupees)

Source	1939 (1)	1946 (2)	1953 (3)	Increase 1939—1946 (4)	Increase 1946—1953 (5)	Increase 1939—1953 (6)	% of 4 to 1 (7)	% of 5 to 2 (8)	% of 6 to 1 (9)
Paid-up Capital (including Capitalised Reserves).	3,29	4,04	5,10	75	1,06	1,81	22.80	26.24	55.02
General Reserves	..	..	1,00	..	1,00	1,00	..	..	..
Taxation Reserves	..	..	1	..	1	1	..	..	..
Other Specific Reserves	23	24	1,48	1	1,24	1,25	4.35	516.67	547.83
Profit and Loss Account Balance	32	1,45	3,09	1,13	1,64	2,77	356.25	113.10	865.63
Borrowings	25	3,04	2,10	2,79	-94	1,85	1,112.00	-30.92	736.00
	..	(1,65)	(36)	(1,65)	(-1,29)	(36)	..	(-78.18)	..

Note: Figures in brackets relate to bank borrowings.

ANNEXURE XX

Table showing capital formation of 247 companies of ALL GROUPS

(In thousand Rupees)

Item	Increase 1939-1946	Increase 1946-1953	Increase 1939-1953
Increase in net fixed assets	3,727	1,00,539	96,812
Increase in floating assets	1,46,396	2,25,019	3,71,415
TOTAL	1,42,669 (34·12)	3,25,558 (58·05)	4,68,227 (111·99)

Table showing capital formation in 95 Sterling companies

(In thousand Rupees)

Item	Increase 1939-1946	Increase 1946-1953	Increase 1939-1953
Increase in net fixed assets	5,950	58,861	52,911
Increase in floating assets	86,880	1,77,389	2,64,269
TOTAL	80,930 (25·90)	2,36,250 (60·07)	3,17,180 (101·54)

*Table showing capital formation in 25 Non-Indian companies under
Non-Indian Managing Agents*

(In thousand Rupees)

Item	Increase 1939-1946	Increase 1946-1953	Increase 1939-1953
Increase in net fixed assets	-359	8,637	8,278
Increase in floating assets	10,563	3,382	13,945
TOTAL	10,204 (43·09)	12,019 (35·47)	22,223 (93·84)

NOTE: Figures in brackets are percentages.

Table showing capital formation in 51 partly Indian companies under Non-Indian Managing Agents

(In thousand Rupees)			
Item	Increase 1939-1946	Increase 1946-1953	Increase 1939-1953
Increase in net fixed assets	6,95	13,743	14,438
Increase in floating assets	22,727	20,327	43,054
TOTAL .	23,422 (55·10)	34,070 (51·68)	57,492 (135·26)

Table showing capital formation in 19 Indian companies under Indian Managing Agents

(In thousand Rupees)			
Item	Increase 1939-1946	Increase 1946-1953	Increase 1939-1953
Increase in net fixed assets	3,14	39,21	42,35
Increase in floating assets	87,58	74,27	1,61,85
TOTAL .	90,72 (79·32)	1,13,48 (55·33)	2,04,20 (178·54)

Table showing capital formation in 11 partly Non-Indian companies under Indian Managing Agents

(In thousand Rupees)			
Item	Increase 1939-1946	Increase 1946-1953	Increase 1939-1953
Increase in net fixed assets	4	29,08	29,03
Increase in floating assets	36,29	28,10	64,40
TOTAL .	36,25 (66·83)	57,18 (63·19)	93,43 (172·25)

NOTE: Figures in brackets are percentages.

Table showing capital formation in 43 Director controlled Indian public Ltd. companies

Item	(In thousand Rupees)		
	Increase 1939-1946	Increase 1946-1953	Increase 1939-1953
Increase in net fixed assets	14,35	1,23,13	1,37,48
Increase in floating assets	1,35,13	1,34,37	2,69,51
TOTAL	1,49,48 (67·17)	2,57,50 (68·95)	4,06,99 (182·89)

Table showing capital formation in 3 Director controlled Indian Private Ltd. companies

Item	(In thousand Rupees)		
	Increase 1939-1946	Increase 1946-1953	Increase 1939-1953
Increase in net fixed assets	1,43	1,55	2,99
Increase in floating assets	3,25	2,46	5,71
TOTAL	4,68 (116·67)	4,01 (45·72)	8,70 (212·99)

NOTE: Figures in brackets are percentages.

ANNEXURE XXI

Table showing availability of internal finance with tea companies (according to types of managements)

(Production in million lbs., current Assets, Liabilities and their difference in thousand Rupees)

Type of Ownership/Management	1939			1946			1953								
	Acreage	Production	Current Assets	Current Liabilities	Difference	Acreage	Production	Current Assets	Current Liabilities	Difference					
<i>Sterling Companies :</i>															
(Controlled by Managing Agents & Secretaries etc.)	2,64,380	154.80	13,78,446	3,93,63	9,84,83	2,62,537	174.36	22,47,26	8,81,13	13,66,13	2,57,785	225.34	40,21,15	22,00,80	18,20,35
<i>Rupee Companies:</i>															
<i>Non-Indian Managing Agents Control:</i>															
Non-Indian	20,697	16.43	89,09	19,92	69,17	21,425	17.32	1,94,72	31,86	1,62,86	21,842	18.61	2,28,54	1,43,87	84,67
Partly Indian and Partly Non-Indian.	43,903	27.30	1,74,04	58,73	1,15,31	44,245	40.04	4,01,31	1,30,38	2,70,93	45,860	38.78	6,04,58	2,77,71	3,26,87
<i>Indian Managing Agents Control :</i>															
Indian . . .	10,052	17.86	25,69	22,79	2,90	10,103	18.37	1,13,27	35,91	77,36	10,880	11.07	1,87,54	59,61	1,27,93
Partly Indian and Partly Non-Indian.	7,196	5.00	19,32	4,76	13,56	7,225	5.45	54,62	11,84	42,78	7,382	6.33	82,68	44,54	38,14
<i>Outside Managing Agents Control:</i>															
Public Ltd. Indian	26,442	25.13	74,24	53,90	20,34	26,422	25.43	2,09,37	75,56	1,33,81	26,913	24.42	3,43,75	1,13,61	2,30,14
Private Ltd. Indian.	745	0.39	63	25	38	744	0.39	3,88	3,04	84	768	0.52	6,33	2,10	4,23
TOTAL	3,73,415	246.91	17,60,47	5,53,98	12,06,49	3,72,701	281.56	32,24,43	11,69,72	20,54,71	3,71,430	325.07	54,74,57	28,42,24	26,32,33

Source.—Balance sheet and profit and loss account received from companies.

ANNEXURE XXII

Table showing amounts ploughed back into fixed Assets (relating to 247 tea companies)

Year 1953

(Figures in Cols. 5 to 9 in thousand Rupees)

Type of Ownership/Management	No. of Cos.	Acreage	Production (in mill. lbs.)	Current Assets	Current Liabilities	Difference		Total Reserves	Difference (8-7)
						(5-6)	(Net available working funds)		
1	2	3	4	5	6	7		8	9
<i>Sterling Companies (Controlled by Managing Agent/Secretaries etc.)</i>									
	95	2,57,785	225.34	40,21,15	22,00,80	18,20,35		21,24,28	3,03,93 (117.90)
<i>Non-Indian Managing Agents Control:</i>									
Non-Indian	25	21,842	18.61	2,28,54	1,45,87	82,67		1,55,38	72,71 (332.87)
Partly Indian & Partly Non-Indian	51	45,860	38.78	6,04,58	2,77,71	3,26,87		3,74,38	47,51 (103.61)
<i>Indian Managing Agents Control:</i>									
Indian	19	10,880	11.07	1,87,54	59,61	1,27,93		1,46,95	19,02 (174.86)
Partly Indian & Partly Non-Indian	11	7,382	6.33	82,68	44,54	38,14		55,96	17,82 (241.45)
<i>Outside Managing Agents Control:</i>									
Public Ltd. Indian	43	26,913	24.42	3,43,75	1,13,61	2,30,14		2,89,13	58,99 (219.21)
Private Ltd. Indian	3	768	0.52	6,33	2,10	4,23		5,58	1,35 (175.04)
TOTAL	247	3,71,430	325.07	54,74,57	28,44,24	26,30,33		31,51,66	5,21,33 (140.63)

NOTE: Figures in brackets indicate amounts per acre ploughed back into fixed assets.

SOURCE:—Returns from tea companies.

ANNEXURE XXIII

Table showing net profit (after taxation) and total retained profit per acre (according to types of management)

Types of ownership/management	No. of companies	Net profit per acre (After Taxation)				Total Retained Profits per Acre			
		1939	1946	1950	1953	1939	1946	1950	1953
		(Figures in Rupees)							
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>	95	74·97	120·00	146·33	246·70	36·09	54·02	84·50	178·73
<i>Non-Indian Managing Agents Control:</i>									
Non-Indian	25	100·45	213·90	210·65	377·10	35·33	58·18	69·22	267·86
Partly Indian and Partly Non-Indian	51	88·38	216·66	283·70	403·55	24·18	76·91	116·85	234·86
<i>Indian Managing Agents Control:</i>									
Indian	19	85·80	350·87	327·32	524·57	83·96	286·16	235·24	484·02
Partly Indian and Partly Non-Indian	11	49·83	151·81	194·64	291·50	37·45	135·40	129·98	247·31
<i>Outside Managing Agents Control:</i>									
Public Ltd. Indian	43	94·89	269·13	301·92	464·29	59·13	162·48	202·96	377·51
Private Ltd. Indian	3	47·31	82·61	188·26	355·73	9·60	21·33	171·80	344·01
ALL COMPANIES	247	79·10	154·20	183·90	298·22	37·54	72·47	101·20	215·95

SOURCE.—Balance sheet and profit and loss accounts of companies.

ANNEXURE XXIV

Statement showing quantity and value of manures supplied to tea estates in the years 1952, 1953 & 1954

		1952		1953		1954	
		Quantity (Tons)	Value (Rs.)	Quantity (Tons)	Value (Rs.)	Quantity (Tons)	Value (Rs.)
<i>North India—</i>							
Indigenous	.	.	.	47,452	2,03,01,644	48,845	1,69,24,463
Imported	.	.	.	5,773	23,82,375	2,468	11,24,747
						2,703	10,97,280
TOTAL	.	53,225	2,26,84,019	51,253	1,80,49,210	61,657	2,13,96,456
<i>South India—</i>							
Indigenous	.	.	.	7,559	30,70,585	9,804	37,51,825
Imported	.	.	.	5,118	26,28,427	4,507	15,50,543
						6,311	20,52,630
TOTAL	.	12,677	50,99,012	14,311	53,02,368	20,410	71,81,400
<i>Total for all India—</i>							
Indigenous	.	.	.	55,011	2,33,72,229	58,649	2,06,76,288
Imported	.	.	.	10,891	44,10,802	6,915	26,75,290
						9,014	31,49,910
TOTAL	.	65,902	2,77,83,031	65,564	2,33,51,578	82,067	2,85,77,856

ANNEXURE XXV

Ages of tea plants

	Assam	Cachar	Darjeeling	Dooars & Terai	Tripura	Total of N.E. India	South India	Total of N. E. and S. India
(1) Total acreage*	3,12,652	72,520	40,902	1,55,699	11,862	5,93,635	1,72,808	7,66,443
(2) Acreage reported	2,03,042	40,491	24,520	99,235	1,531	3,68,819	58,391	4,27,210
(3) Share of 2 to 1	64.9	55.8	59.8	63.8	12.9	62.1	33.7	55.7
<i>Area Planted—</i>								
Before 1900	41,892 (20.63)	15,102 (37.29)	19,411 (79.16)	35,201 (35.47)	..	1,11,606 (30.26)	11,394 (19.50)	1,23,000 (28.79)
Between 1900-10	29,465 (14.51)	4,660 (11.51)	435 (1.77)	10,731 (10.81)	..	45,291 (12.28)	7,903 (13.53)	53,194 (12.45)
" 1910-20	41,188 (20.29)	7,555 (18.66)	2,436 (9.93)	25,042 (25.23)	263 (17.18)	76,484 (20.73)	12,645 (21.64)	89,129 (20.86)
" 1920-30	32,264 (15.89)	3,918 (9.67)	1,111 (4.53)	17,942 (18.08)	703 (45.92)	55,938 (15.17)	19,509 (33.4)	75,447 (17.66)
" 1930 & after	58,233 (28.68)	9,256 (22.87)	1,127 (4.61)	10,319 (10.41)	565 (36.90)	79,500 (21.56)	6,940 (11.93)	86,440 (20.24)

NOTE: Figures in brackets are percentages of reported acreage.

*SOURCE.—(1) South India.—UPASI Year Book.

(2) N.E. India.—List of Tea Estates in North East India (31st March 1954) published by Indian Tea Association.

ANNEXURE XXVI

Table showing new planting, replanting and area abandoned in different regions during the ten years ending 1953

Region	1	2	New Planting			Replanting	Total of 3, 4, & 5	6	7
			Reported Area	On Virgin Soil	Reclaimed Land				
Assam
		2,03,042	7,897 (3.9)	365 (0.18)	17,237 (8.49)	25,499 (12.57)	6,377 (3.14)		
Cachar
		40,491	1,199 (2.96)	155 (0.38)	1,220 (3.01)	2,574 (6.35)	2,771 (6.84)		
Darjeeling
		24,520	362 (1.47)	74 (0.3)	277 (1.13)	713 (2.90)	305 (1.24)		
Dooars & Terai
		99,235	922 (0.93)	1,942 (1.96)	2,153 (2.17)	5,017 (5.06)	1,824 (1.84)		
Tripura
		1,531	111 (7.25)	..	..	111 (7.25)	25 (1.63)		
TOTAL FOR North India
		3,68,819	10,491 (2.84)	2,536 (0.69)	20,887 (5.66)	33,914 (9.19)	11,302 (3.06)		
South India
		58,391	2,242 (3.84)	362 (0.62)	420 (0.72)	3,024 (5.18)	856 (1.47)		
TOTAL ALL INDIA									
		4,27,210	12,733 (2.98)	2,898 (0.68)	21,307 (4.99)	36,938 (8.65)	12,158 (2.84)		

NOTE.—Figures in brackets are percentages of reported acreage.

ANNEXURE XXVII

Age-group of plants according to Types of ownership

Age-Group of plants according to types of ownership							(In Acres)
Types of Ownership/Management		Acreage	Before 1900	1900-10	1910-20	1920-1930	1930 and After
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>							
		2,71,776	79,880 (29.4)	40,112 (14.8)	46,614 (17.2)	39,965 (14.6)	65,205 (24)
<i>Rupree Companies :</i>							
<i>Non-Indian managing Agents Control :</i>							
Non-Indian	.	36,535	15,855 (43.4)	3,398 (9.3)	6,520 (17.8)	6,078 (16.7)	4,684 (12.8)
Partly Indian and Partly Non-Indian	.	52,902	17,801 (33.7)	4,404 (8.3)	15,592 (29.5)	8,746 (16.5)	6,359 (12.0)
<i>Indian Managing Agents Control :</i>							
Indian	.	15,974	1,384 (8.7)	877 (5.5)	5,107 (32.0)	6,160 (38.5)	2,446 (15.3)
Partly Indian and Partly Non-Indian	.	8,621	2,644 (30.7)	1,109 (12.9)	1,802 (20.9)	814 (9.4)	2,252 (26.1)
<i>Outside Managing Agents Control :</i>							
Public Ltd. Indian	.	27,646	3,276 (11.9)	2,993 (10.8)	11,026 (39.9)	8,273 (29.9)	2,078 (7.5)
Private Ltd. Indian	.	2,724	34 (1.2)	164 (6.0)	56 (2.1)	1,498 (55.0)	972 (35.7)
Public Ltd. Non-Indian	.	443	217 (49.0)	..	13 (2.9)	..	213 (48.1)
<i>Proprietary and Partnership concerns:</i>							
Indian	.	7,821	1,375 (17.6)	126 (1.6)	1,809 (23.1)	2,464 (31.5)	2,047 (26.2)
Non-Indian	.	2,768	534 (19.3)	11 (0.4)	590 (21.3)	1,449 (52.3)	184 (6.7)
GRAND TOTAL		4,27,210	1,23,000 (28.79)	53,194 (12.45)	89,129 (20.86)	75,447 (17.66)	86,440 (20.24)

Note: Figures in brackets are percentage of the reported acreage.

ANNEXURE XXVIII

Area planted and replanted (companies classified by types of management)

Type of Ownership/ Management	New Replanting					Total 2 to 4	% of 6 to 1
	Acreage	Virgin Soil	Reclaimed Land	Replan- ting	Area Abandon- ed		
	1	2	3	4	5	6	7
<i>Sterling Companies (Controlled by Managing Agents / Secretaries, etc.)</i>	2,71,776	7,635	597	17,864	8,492	26,146	9.6
<i>Rupee Companies:</i>							
<i>Non-Indian Managing Agents Control:</i>							
Non-Indian	36,535	1,200	216	980	707	2,396	6.6
Partly Indian and Partly Non-Indian	52,902	1,290	527	1,337	1,233	3,154	8.7
<i>Indian Managing Agents Control:</i>							
Indian	15,974	532	894	134	436	1,610	10.1
Partly Indian and Partly Non-Indian	8,621	161	..	480	727	641	7.4
<i>Outside Managing Agents Control:</i>							
Public Ltd. Indian	27,646	444	529	228	128	1,201	4.3
Private Ltd. Indian	2,724	553	..	22	140	575	21.1
Public Ltd. Non-Indian	413	..	..	..	..	..	..
<i>Proprietary or Partnership concerns:</i>							
Indian	7,821	756	114	262	291	1,132	14.5
Non-Indian	2,768	53	21	..	4	74	2.7
GRAND TOTAL	4,27,210	12,724	2,898	21,307	12,158	36,929	8.65

ANNEXURE XXIX-A

*Cost of new planting one acre of tea and tending for five years***Year 1944**

VIRGIN JUNGLE

(Analysis by no. of returns)

Cost in Rupees	Assam	Cachar	Darjeeling	Dooars	Tripura	Bihar	U.P.	S. India	Total
0-499	2	1	1	..	..	..	..	..	4
500-999	13	7	..	..	..	..	..	1	21
1,000-1,499	20	..	..	1	1	..	..	..	22
1,500-1,999	8	1	..	1	1	..	..	..	11
2,000-2,499	11	..	..	..	..	..	..	1	12
2,500-2,999	4	..	..	..	..	..	..	..	4
3,000-3,499	5	..	..	..	..	..	..	..	5
3,500-3,999	3	..	..	..	..	..	..	..	3
4,000-4,499	1	..	..	..	..	..	..	..	1
4,500-4,999	..	..	..	..	..	..	..	..	..
5,000 & Above	1	..	..	..	..	..	..	..	1
Total No. of Returns	68	9	1	2	2	..	..	2	84

ANNEXURE XXIX-A—contd.
Cost of new planting one acre of tea and tending for five years

Year 1948

VIRGIN JUNGLE

(Analysis by no. of returns)

Cost in Rupees	Assam	Cachar	Darjeeling	Dooars	Tripura	Bihar	U.P.	S. India	Total
0-499	2	..	..	..	2
500-999	.	.	.	12	8	1	7	..	28
1,000-1,499	.	.	.	5	7	1	5	..	20
1,500-1,999	.	.	.	5	2	1	1	..	11
2,000-2,499	.	.	.	8	..	..	2	1	13
2,500-2,999	.	.	.	2	1	1	3	..	9
3,000-3,499	.	.	.	2	..	..	..	..	3
3,500-3,999	.	.	.	5	..	..	..	..	8
4,000-4,499	1
4,500-4,999	1
5,000 & Above	.	.	.	4	..	..	..	..	6
Total No. of Returns	.	.	.	43	18	4	18	1	102

ANNEXURE XXIX-A—contd.

Present estimated cost of new planting one acre with tea and tending for five years

Cost of New Planting in virgin Jungle (estimated in Rs.)	Number of Companies							Total
	Assam	Cachar	Darjeeling	Dooars & Tearai	Bihar	U.P.	Tripura	S. India
0-499	2	2
500-999	3	16
1,000-1,499	37
1,500-1,999	1	33
2,000-2,499	27
2,500-2,999	1	37
3,000-3,499	28
3,500-3,999	1	..	28
4,000-4,499	2	..	..	26
4,500-4,999	1	..	11
5,000 & above	2	..	..	22
Total No. of Returns	4	2	7	33
	109	34	18	60				267

ANNEXURE XXIX-B

Cost of replanting one acre of tea and tending for five years

Year 1944

Cost in Rupees	(Analysis by no. of returns)						
	Assam	Cachar	Darjeeling	Dooars	Tripura	Bihar	Total
0-499	9	7	1	4	..	..	22
500-999	15	5	..	4	1	..	25
1,000-1,499	13	1	..	2	..	..	16
1,500-1,999	3	1	..	2	..	..	7
2,000-2,499	4	..	..	..	..	..	4
2,500-2,999	1	..	..	..	..	..	1
3,000-3,499	..	..	..	..	..	..	..
3,500-3,999	..	..	..	..	..	..	..
4,000-4,499	..	..	..	..	..	..	..
4,500-4,999	1	..	..	..	..	..	1
5,000 & Above	..	..	..	..	..	..	..
Total No. of Returns	46	14	1	12	1	..	76

ANNEXURE XXIX-B—contd.
Cost of replanting one acre of tea and tending for five years

Year 1948

(Analysis by no. of returns)

Cost in Rs.	Assam	Cachar	Darjeling	Dooars	Tripura	Bihar	U.P.	S. India	Total
0-499	4	7	2	1	..	..	..	..	14
500-999	31	8	..	10	..	..	..	1	50
1,000-1,499	17	6	..	1	1	..	..	..	25
1,500-1,999	4	1	..	4	..	..	..	..	9
2,000-2,499	6	2	1	..	..	..	..	..	9
2,500-2,999	3	..	..	2	..	..	..	1	6
3,000-3,499	5	1	..	1	..	..	..	1	8
3,500-3,999	5	..	1	1	..	..	..	..	7
4,000-4,499	1	..	..	..	..	..	..	..	1
4,500-4,999	..	..	..	..	..	..	..	..	..
5,000 & Above	2	..	..	..	..	..	..	..	2
Total No. of Returns	78	25	4	20	1	..	..	3	131

ANNEXURE XXIX-B—*contd.*
Present estimated cost of replanting one acre with tea and tending for five years

Cost of replanting (Estimated) (in Rs.)	Number of Companies								
	Assam	Cachar	Darjeeling	Dooars & Terai	Bihar	U.P.	Tripura	S. India	Total
0-499	..	3	..	..	..	..	..	..	3
500-999	8	8	1	12	..	..	..	..	29
1,000-1,499	15	6	..	8	..	..	..	..	29
1,500-1,999	9	8	2	1	..	..	1	..	21
2,000-2,499	8	2	..	4	..	..	..	..	14
2,500-2,999	10	2	1	3	..	..	1	2	19
3,000-3,499	10	1	3	2	..	..	..	4	20
3,500-3,999	10	..	..	1	..	..	..	2	13
4,000-4,499	7	1	3	7	2	..	..	..	20
4,500-4,999	3	..	1	..	..	..	..	..	4
5,000 and above	8	..	..	..	..	..	..	5	13
Total No. of returns	88	31	11	38	2	..	2	13	185

ANNEXURE XXX-A

Estimate of cost of extension and replanting of tea in South India as furnished by United Planters' Association of South India

Serial No.	Items	Cost of Extension on Virgin Jungle	Cost of re-planting
(i)	Preparation of Virgin land for new planting.	Rs. 300 to Rs. 800 per acre depending upon whether the area needs terracing or not and the nature of preparation needed.	..
(ii)	Preparation of land for re-planting after uprooting bushes.	..	Rs. 600 per acre.
(iii)	Maintenance of nursery and transplanting.	Rs. 600 to Rs. 1,000 per acre.	Rs. 600 to Rs. 1,000 per acre.
(iv)	Manuring upto the time bushes are ready for plucking.	Rs. 50 to Rs. 200 per acre per annum, depending upon the nature of the soil. Total cost Rs. 200 to Rs. 800 per acre for 4 years when bushes expected to become ready for plucking.	Rs. 50 to Rs. 200 per acre per annum, depending upon the nature of the soil. Total cost Rs. 200 to Rs. 800 per acre for 4 years when bushes are expected to become ready for plucking.
(v)	Incidental charges (irrigation and other charges from the time of planting till the bushes are ready for plucking).	On an average Rs. 150 to Rs. 250 per acre per year for a period of 4 to 6 years depending upon the extent of supplying vacancies, weeding, shading, etc. Total cost about Rs. 750 to Rs. 1,250 per acre for 5 years.	On an average Rs. 150 to Rs. 250 per acre per year for a period of 4 to 5 years depending upon the extent of supplying vacancies, weeding, shading etc. Total cost about Rs. 750 to Rs. 1,250 per acre for 5 years.
TOTAL		Rs. 1,650 to 3,850 per acre*	Rs. 2,150 to Rs. 3,650 per acre.*

Note: *The estimates are exclusive of cost of land, buildings, tea factories, and administrative supervision and other charges.

ANNEXURE XXX-B

Statement showing estimates of costs of new plantings (non hedge) furnished by the Indian tea planter's association

1st Year

Serial No.	Details of expenditure	Amount*
		Rs. a. p.
1	Administration and supervision Rs. 1,000 per month for 100 acres or Rs. 12,000 per year or for one acre	120 0 0
2	Nursery 250 per md. Tea seed Rs. 250 per md. - 450 per md. This is good enough for 3 acres of planting including infilling; so far one acre.	200 0 0
3	Siris (Tea shade) nursery L.S.	25 0 0
4	Removing and cutting trees & jungles 60 haz. @ Rs. 1/12	105 0 0
5	Uprooting stumps 30 haz. @ Rs. 1-12-0	52 8 0
6	Removing stumps 30 haz. @ Rs. 1/12/-	52 8 0
7	Levelling land @ 10 logis or 30 women per acre @ Rs. 1-10-0	48 12 0
8	Deep hoeing : 60 men @ Rs. 1-12-0	105 0 0
9	Clod bearing : 30 women @ Rs. 1-10-0	48 12 0
10	Removing Jobra (Dead weeds) @ Rs. 1-10-0	48 12 0
11	Staking : holding : carring seedlings by women and planting and also shade trees.	100 0 0
12	Draining and level surveying	52 8 0
13	Fencing 1/16th one mile (which costs Rs. 4,000 including posts, fitting and fixing).	250 0 0
		1,208 12 0

2nd & 3rd Year

Serial No.	Details of expenditure	Amount *
		Rs. a. p.
1	Administration and supervision $\frac{1}{2}$ of 1st year	60 0 0
2	Ridge and cross ridge hoeing @ 60 men per acre for each operation 1	105 0 0
3	Thully : 4 rounds by women - 15 women per round or 60 @ Rs. 1-10-0	97 8 0
4	Light hoeing : 15 hazries @ Rs. 1-12-0	26 4 0
5	2nd light hoeing : 10 hazries @ Rs. 1-12-0	17 8 0
		Rs. 306 4 0

Say Rs. 300 per acre - Rs. 600 per acre in 2 years.

ANNEXURE XXX-B—*concl'd.***4th & 5th Year.**

Serial No.	Details of expenditure	Amount*
		Rs. a. p.
1	Drains : lump sum	25 0 0
2	Thully (Two rounds) @ Rs. 24-6-0 per acre	48 12 0
3	Light hoeing (six rounds) @ Rs. 17-8-0 per acre	105 0 0
4	Selected prunings for making bush of proper size, lump sum	40 0 0
5	Manuring	10 0 0
6	Administration cost as in 2nd & 3rd year	60 0 0
7	In filling vancancies	24 6 0
8	Miscellaneous	36 14 0
		<hr/> 350 0 0 <hr/>
	In two years	700 0 0
	1st Year	1,208 12 0
	2nd & 3rd Year	600 0 0
	4th & 5th Year	700 0 0
		<hr/>
	TOTAL	2,508 12 0

NOTE.—The estimates do not include the cost of lands or of construction or of labour houses or of recruiting new labourers.

*In computing costs, wages for labour have been taken to be Rs. 1-12-0 for male and 1-10-0 for female, per day.

ANNEXURE XXXI

Statement showing the production and sale of tea seeds

(Figures in Mds.)

	Number of Estates pro- ducing Tea Seeds	1952		1953		1954	
		Production	Sale	Production	Sale	Production	Sale
Indian Tea Association	51	4,822.94	3,696.00	4,287.30	3,395.55	5,205.25	4,594.06
United Planters' Association of Southern India	14	288.40	162.00	221.26	151.00	317.95	199.69
TOTAL	65	5,111.34	3,858.00	4,508.56	3,546.55	5,523.20	4,793.75

SOURCE: Indian Tea Association, Calcutta and UPASI, Coonoor.

ANNEXURE XXXII

Statement showing cost of production of tea in various regions.

1950

(In rupees per 100 lb.)

Region	Reported		A	B	C	D	E	F	Total-A	Commission	Av. Cost
	Planted Acreage	Production (lbs.)	Cultiva- tion	Gather- ing	Manu- facture	Gener- al Char- ges	Pack- ing	Selling Expenses	to F (Av. Cost of production)	to Managing Agents	Excluding Commission to Mana- ging Agents
I	2	3	4	5	6	7	8	9	10	11	12
Assam	2,38,713	225,891,918	22.24	17.03	18.75	49.73	11.37	9.54	128.66	6.59	122.07
Cachar	55,170	37,029,286	22.16	16.33	20.20	48.22	11.41	8.85	127.17	6.85	120.32
Dooars and Terai	1,41,278	149,640,053	16.63	17.33	21.77	36.65	11.63	11.38	115.39	5.94	109.45
Darjeeling	29,109	12,908,750	34.63	27.53	22.25	71.23	13.70	15.31	184.65	6.96	177.69
Tripura	1,324	978,535	19.21	5.87	18.24	44.12	11.68	22.97	122.09	6.89	115.20
Bihar	3,508	2,417,831	10.49	14.27	20.07	38.21	8.04	6.29	97.37	5.63	91.74
Average (weighted) for North India	4,69,107	428,866,373	20.57	17.35	20.05	45.61	11.51	10.31	125.40	6.39	119.01
Malabar Wynaad and Nilgiri Wynaad.	24,040	12,625,122	29.35	23.40	12.38	54.57	9.59	4.71	134.00	1.71	132.29
Madras	34,159	25,677,655	23.30	23.25	10.50	47.85	9.71	7.32	121.93	5.94	115.99

ANNEXURE XXXII—*contd.*
1950—*concl.*

1	2	3	4	5	6	7	8	9	10	11	12
Travancore-Cochin State	61,268	39,421,169	24.42	21.40	11.24	41.28	9.05	4.03	111.42	5.45	105.97
Coorg	432	222,608	51.82	25.29	13.47	47.57	10.75	3.90	152.80	5.87	146.93
Mysore	1,916	920,225	19.45	16.37	17.95	49.36	8.79	1.69	113.61	6.24	107.37
Average (weighted) for S. India	1,21,815	78,866,779	24.86	22.28	11.26	45.67	9.36	5.19	118.62	5.03	113.59
Average (weighted) cost of Production for All India.	5,90,922	507,733,152	21.24	18.12	18.67	45.61	11.18	9.51	121.33	6.18	118.15
1951											
Assam	2,40,449	250,282,821	23.70	17.95	20.15	50.48	10.86	13.67	136.81	4.89	131.92
Cachar	55,243	33,916,718	26.70	18.26	22.25	55.04	11.37	17.18	150.80	4.97	145.83
Dooars and Terai	1,44,470	144,504,119	20.03	18.60	25.57	39.89	11.95	17.55	133.59	3.68	129.91
Darjeeling	29,125	12,747,386	39.29	29.01	26.87	70.03	14.67	18.02	197.89	3.98	193.91
Tripura	1,336	1,088,845	18.73	6.63	15.99	43.24	8.82	19.92	113.33	4.86	108.47
Bihar	3,514	2,407,058	15.97	16.03	22.57	42.63	7.76	5.37	110.33	4.35	105.98
Average (weighted) for North India	4,74,137	444,946,947	23.13	18.46	22.27	47.89	11.35	15.29	138.39	4.30	134.09

ANNEXURE XXXII—*contd.*1951—*concl'd.*

I	2	3	4	5	6	7	8	9	10	11	12
Malabar Wynaad and Nilgiri Wynaad.	24,121	16,189,382	27.63	22.29	11.03	47.15	9.87	4.55	122.52	1.61	120.91
Madras	35,132	30,632,325	22.26	22.37	10.68	45.26	10.29	8.42	119.28	6.00	113.28
Travancore-Cochin State	61,399	46,181,412	22.61	20.13	10.90	41.56	9.28	4.90	109.38	5.24	104.14
Coorg	432	287,175	43.51	20.85	12.71	40.85	12.51	4.31	134.74	6.04	128.70
Mysore	1,922	1,188,012	23.37	16.06	16.81	48.61	7.93	1.98	114.76	7.02	107.74
Average (weighted) for S. India.	1,23,006	94,478,306	23.43	21.18	10.93	43.49	9.70	5.95	114.68	4.89	109.79
Average (weighted) cost of Production for All India.	59,7143	539,425,253	23.19	18.94	20.27	47.12	11.12	13.65	134.29	4.41	129.88

1952

Assam	24,1346	248,183,806	24.79	20.31	23.32	52.04	11.99	14.87	147.32	4.35	142.97
Cachar	54,983	32,432,512	29.14	20.62	24.78	58.15	11.38	14.34	158.41	3.64	154.77
Dooars and Terai	1,45,047	131,595,823	21.36	20.74	29.12	43.68	12.29	15.57	142.76	2.76	140.00

ANNEXURE XXXII—*contd.*
1952—*concl'd.*

495

I	2	3	4	5	6	7	8	9	10	11	12
Darjeeling	29,364	11,871,370	40.67	34.05	28.86	77.01	14.36	14.72	209.67	3.77	205.90
Tripura	1,516	927,986	20.52	7.76	18.38	43.36	9.02	19.59	118.63	4.07	114.56
Bihar	3,571	2,181,073	17.72	17.86	22.33	44.00	8.59	7.71	118.21	3.25	114.96
Average (weighted) for North India	147,5,827	427,192,570	24.46	20.80	25.37	50.56	12.08	15.01	148.28	3.78	144.50
Malabar Wynaad and Nilgiri Wynaad	24,269	14,795,599	35.11	24.84	12.34	51.68	10.80	5.13	139.90	1.51	138.39
Madras	36,197	30,829,719	25.49	23.33	12.36	45.92	10.52	7.92	125.54	4.79	120.75
Travancore-Cochin State	61,491	43,466,694	28.24	22.32	13.04	39.34	9.52	5.04	117.50	2.31	115.19
Coorg	432	261,378	55.44	25.66	13.66	37.73	9.27	6.77	148.53	4.01	144.52
Mysore	1,926	1,157,815	25.98	16.57	18.75	47.98	9.60	2.85	121.73	5.51	116.22
Average (weighted) for South India	1,24,315	90,511,205	28.47	23.01	12.77	43.70	10.08	6.02	124.05	3.13	120.92
Average (weighted) cost of Production for All India.	6,00,142	517,703,775	25.16	21.19	13.17	49.35	11.73	13.43	134.03	3.67	130.36

SOURCE: Returns from estates.

ANNEXURE XXXII—concl'd.

1953

	1	2	3	4	5	6	7	8	9	10	11	12
Assam		2,42,986	233,091,629	23.45	20.35	22.18	53.49	11.34	17.33	148.14	7.61	140.53
Cachar		53,854	32,265,517	16.18	15.61	17.55	47.92	10.70	17.09	125.05	9.30	115.75
Dooars and Terai		1,44,847	138,985,645	14.92	17.40	22.82	41.78	11.44	17.93	126.29	7.60	118.69
Darjeling		29,139	11,115,302	30.70	32.25	24.30	80.19	10.94	17.44	195.82	8.28	187.54
Tripura		1,530	1,051,656	12.00	7.09	16.53	42.69	7.78	19.18	105.27	10.37	94.90
Bihar		3,588	2,405,925	12.43	15.24	16.40	35.51	8.21	9.39	97.18	3.63	93.55
Average (weighted) for N. India		4,75,944	418,915,674	20.15	19.26	22.05	50.03	11.30	17.46	140.25	7.74	132.51
Malabar Wynaad and Nilgiri Wynaad.		24,494	18,258,147	28.82	23.37	10.66	46.06	5.16	7.00	121.07	1.40	119.67
Madras		36,504	34,833,971	23.19	23.36	11.64	47.62	9.31	9.36	124.48	5.45	119.03
Travancore-Cochin State		61,370	44,329,184	30.02	27.36	14.54	48.00	10.00	5.73	135.65	4.30	131.35
Coorg		432	280,800	50.83	23.78	16.36	41.64	7.02	3.78	143.41	8.65	124.76
Mysore		1,926	1,216,081	27.58	17.89	19.53	46.75	8.90	3.00	123.65	6.42	117.23
Average (weighted) for S. India		1,24,726	98,918,183	27.41	25.10	12.87	47.49	8.84	7.22	128.93	4.21	124.72
Average cost of Production (weighted) for All India.		6,00,670	517,833,857	21.55	20.38	20.29	49.54	10.82	15.50	138.08	7.07	131.01

Source: Returns from estates.

ANNEXURE XXXIII

Statement showing cost of production of tea of small holdings and estates of 100 acres and above

Items	Assam			Cachar		Tripura		Madras		Punjab	
	Small Holdings (26) 1	Estates of 100 acres and above 1	Estates of 100 acres and above 1	Small Holdings (5) 2	Estates of 100 acres and above 2	Small Holdings (2) 3	Estates of 100 acres and above 3	Small Holdings (18) 4	Estates of 100 acres and above 4	Small Holdings (30) 5	Estates of 100 acres and above 5
Planted Acreage	1,365.65	..	..	381.01	..	178	..	609.09	..	780	..
Crop (in lbs.)	529,999	..	..	95,887	..	33,504	..	356,152	..	284,328	..
Cost of Production per 100 lbs.											
1. General Field Works	33.81	15.32	10.98	40.52	10.98	11.61	7.47	26.02	9.58	37.7	..
2. Filling in vacancies	2.56	0.99	0.67	1.82	0.67	5.90	0.41	7.62	1.30	0.43	..
3. Manuring	6.90	6.25	3.97	1.46	3.97	3.98	2.38	20.97	9.81	13.90	..
4. Spraying & Dusting	0.20	0.45	0.50	0.06	0.50	..	1.07	2.69	2.08	..	..
5. Other pest control	0.07	0.44	0.06	0.69	0.06	..	0.67	1.27	0.42	0.34	..
6. Plucking	16.53	20.35	15.61	12.92	15.61	7.48	7.09	16.21	23.36	20.91	..
7. Manufacturing	17.47	22.18	17.55	10.91	17.55	10.21	16.53	16.97	11.64	12.31	..
8. Packing	2.53	11.34	10.70	1.94	10.70	0.34	7.78	1.90	9.31	6.07	..
9. Transport	5.65	17.33	17.09	0.83	17.09	2.00	19.18	2.09	9.36	3.96	..
10. Interest	4.89	..	..	2.09	..	..	..	1.41	..	1.26	..
11. Land Tax	2.52	..	..	3.79	..	0.88	..	1.07	..	1.14	..
12. Clerical	18.53	53.49	47.92	11.83	47.92	41.45	42.69	25.19	47.62	10.96	..
AVERAGE COST	111.76	148.14	125.05	88.86	125.05	83.94	105.27	123.41	124.48	108.99	..

NOTE.— 1. Figures in brackets are the number of returns analysed for the region.

2. Cost figures of estates of 100 acres and above relate to the period 1933. Average cost of production of the estates of 100 acres and above does not include interest charges.

3. Cost of Production in respect of estates of 100 acres and above in Madras relates to Madras, other than Nilgiri Wynaad and Malabar Wynaad. SOURCE.—For small holdings, replies collected by the officials of State Governments concerned and for estate of 100 acres and above, replies from estates.

ANNEXURE XXXIII

Statement showing cost of production of small holdings in Madras State.

	Nilgiris	Malabar
No. of returns analysed	14	4
Planted acreage	368.29	240.30
Crop in lbs.	255,334	100,818
Cost of Production in Rs. per 100 lbs. :		
General Field works	29.75	16.58
Filling in Vacancies	9.69	2.38
Manuring—		
Manures	24.20	
Labour	3.97	—
Spraying & Dusting—		
Materials	2.71	0.65
Labour	1.04	..
Other Pest Control Measure—		
Materials	1.25	..
Labour	0.52	0.04
Plucking	16.58	15.26
Manufacturing	19.11	11.57
Packing	2.35	0.75
Transport	2.70	0.56
Interest	1.94	0.07
Land Tax	0.37	2.83
Clerical	13.63	54.44
AVERAGE COST	129.81	107.21

SOURCE.—Replies collected by the officials of the State Government.

ANNEXURE XXXIII—contd.

Statement showing cost of production of tea of small holdings in different regions

(In rupees per 100 lbs.)

	Assam			Cachar			Tripura			Punjab			Nilgiri Wynaad Malabar Wynaad		
	Below 25 Acres	25-49 Acres	50 Acres & above	Below 25 Acres	25-49 Acres	50 Acres & above	Below 25 Acres	25-49 Acres	50 Acres & above	Below 25 Acres	25-49 Acres	50 Acres & above	Below 25 Acres	25-49 Acres	50 Acres & above
Planted Acreage . .	112	69	1,185	..	..	381	..	..	178	164	306	310	139	245	225
Crop (in lbs.) . .	55,504	29,690	444,805	..	..	85,837	..	..	33,504	21,492	85,434	177,402	71,594	176,683	107,875
No. of returns analysed	8	2	16	..	..	5	..	..	2	18	8	4	9	6	3
Cost per 100 lb.:															
General Field Works	43.58	25.34	33.15	..	..	40.52	..	..	11.61	34.06	34.43	39.73	24.58	28.89	22.28
Filling in Vacancies	2.45	4.61	2.43	..	..	1.82	..	..	5.90	0.04	0.85	0.28	7.47	11.39	1.54
Manuring . .	7.39	7.74	6.79	..	..	1.46	..	..	3.98	6.97	25.02	9.40	17.35	30.35	8.02
Spraying & Dusting .	0.21	0.99	0.14	..	..	0.06	..	..	..	..	..	..	0.43	2.30	4.83
Other Pest Control Measures.	..	..	0.08	..	..	0.69	..	..	..	2.82	..	0.20	0.60	2.31	0.04
Plucking . .	17.16	18.77	16.30	..	..	12.92	..	..	7.48	25.45	16.81	22.32	16.28	17.75	13.64
Manufacturing . .	23.07	19.06	16.66	..	..	10.91	..	..	10.21	21.43	26.10	4.57	18.95	23.90	4.32
Packing . .	4.52	4.12	2.18	..	..	1.94	..	..	0.34	0.29	3.33	8.08	5.85	1.11	0.56
Transport . .	7.11	3.54	5.61	..	..	0.83	..	..	2.00	0.68	1.82	5.39	3.74	2.51	0.32
Interest . .	3.29	..	5.42	..	..	2.09	..	..	..	2.91	2.76	0.34	6.91	..	0.07
Land Tax . .	2.98	1.51	2.53	..	..	3.79	..	..	0.88	7.13	1.52	0.23	0.45	0.59	2.26
Clerical . .	29.89	12.54	40.11	..	..	11.83	..	..	41.54	21.25	14.13	8.18	20.74	20.18	36.34
TOTAL AVERAGE COST .	141.65	98.22	131.40	..	..	88.86	..	..	89.94	123.03	126.77	98.72	123.36	141.26	94.22

SOURCE:—Replies collected by the officials of State Governments concerned.

ANNEXURE XXXIII—*contd.*

Table showing yield per acre in small holdings and in all holdings and estates in different regions.

(In lbs.)

Region	Small Holdings	All Holdings and Estates
Assam	319.6	837.3
West Bengal	145.4	825.2
Uttar Pradesh	157.0	253.7
Tripura	319.5	320.8
Kangra	183.0	183.0
Himachal Pradesh	218.0	218.0
Madras	374.0	737.3
T. C. State	238.8	651.1

NOTE.—The production figures of small holdings in Kangra and Himachal Pradesh are not available. However owing to the predominance of small holdings in these regions, the regional yield per acre has been repeated in respect of small holdings as well and may well be taken as representative of the yield of small holdings.

SOURCE:—Data furnished by Tea Board.

Frequency distribution Table showing the small holdings according to their yield.

Yield per acre in lbs.	Assam	Cachar	Tripura	Madras	Punjab
Less than 100 . . . . .	..	..	..	1	8
100-299	10	4	2	2	11
300-499	10	1	..	3	6
500-699	4	..	..	5	3
700-999	2	..	..	6	2
1,000 & above . . . . .	..	..	..	1	..
Total no. of holdings	26	5	2	18	30

SOURCE:—Data furnished by officials of the State Governments concerned.

ANNEXURE XXXIII—*concl.**Frequency distribution Table showing the small holdings according to cost groups**(In no. of companies)*

Cost in rupees per lb.	Assam	Cachar	Tripura	Nilgiris	Malabar	Punjab
Upto 0.50 . . .	..	..	..	..	..	..
0.51-1.00 . . .	7	4	1	4	..	14
1.01-1.25 . . .	8	..	1	3	1	
1.26-1.50 . . .	7	1	..	2	1	
1.51-1.75 . . .	..	..	..	2	1	3
1.76-2.00 . . .	2	..	..	2	1	..
2.00 & over . . .	2	..	..	1	..	4
TOTAL . . .	26	5	2	14	4	30

SOURCE:—Replies collected by the officials of the State Governments concerned.

ANNEXURE XXXIV

Statement showing item-wise cost of production in various regions.

A-1 General field works

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	12.90	14.18	14.63	15.32	18.76
Cachar	13.56	15.80	17.31	10.98	-19.03
Dooars and Terai	12.04	14.25	15.03	11.98	-0.50
Darjeeling	24.53	26.25	27.83	24.30	-0.94
Tripura	11.01	10.32	10.22	7.47	-32.15
Bihar	8.11	10.92	11.64	8.45	4.19
Malabar Wynaad and Nilgiri Wynaad.	14.85	12.19	15.32	11.81	-20.47
Madras	11.43	9.89	10.45	9.58	-16.19
Travancore-Cochin State	14.14	13.34	15.01	17.73	25.39
Coorg	12.29	9.49	13.07	13.94	13.43
Mysore	12.34	12.85	15.44	13.55	9.81

A-2. Filling in vacancies

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	0.86	0.97	0.97	0.99	15.12
Cachar	1.11	1.40	1.22	0.67	-39.64
Dooars and Terai	0.78	0.95	0.99	0.67	-14.10
Darjeeling	1.39	1.85	1.76	1.00	-28.06
Tripura	0.60	0.92	1.20	0.41	-31.67
Bihar	1.11	1.49	2.01	1.88	69.37
Malabar Wynaad and Nilgiri Wynaad.	1.42	1.85	2.08	1.57	10.56
Madras	1.10	1.35	1.61	1.30	18.18
Travancore-Cochin State	0.67	0.61	0.71	0.67	..
Coorg . . . . .	..	..	..	..	..
Mysore	1.12	0.94	1.92	2.95	163.39

ANNEXURE XXXIV—*contd.*

A-3. Manuring

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	7.70	7.70	8.33	6.25	—18.83
Cachar	6.74	8.67	9.56	3.97	—41.10
Dooars and Terai	3.56	4.52	4.96	1.97	—44.66
Darjeeling	8.06	10.53	10.44	4.83	—40.07
Tripura	3.50	4.43	5.11	2.38	—32.00
Bihar	1.21	3.38	4.02	1.86	53.72
Malabar Wynaad and Nilgiri Wynaad.	12.37	12.29	13.23	11.45	—7.43
Madras	9.97	9.90	11.37	9.81	—1.60
Travancore-Cochin State	9.06	8.00	10.47	9.32	2.87
Coorg	13.24	12.06	14.59	11.36	—14.20
Mysore	4.96	9.13	7.81	10.23	106.25

A-4. Spraying and dusting

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	0.35	0.40	0.42	0.45	28.57
Cachar	0.62	0.69	0.89	0.50	—19.35
Dooars and Terai	0.16	0.21	0.24	0.21	31.30
Darjeeling	0.49	0.51	0.34	0.35	—28.57
Tripura	2.47	2.20	2.23	1.07	—56.68
Bihar	0.04	0.14	0.05	0.17	325.00
Malabar Wynaad and Nilgiri Wynaad.	0.26	0.97	3.56	2.78	969.23
Madras	0.41	0.78	1.64	2.08	407.32
Travancore-Cochin State	0.30	0.40	1.73	1.77	490.00
Coorg . . . . .	..	..	..	..	..
Mysore	0.02	0.02	0.02	0.08	300.00

ANNEXURE XXXIV—*contd.*

A-5. Other pest control measures

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% Rise or fall in 1953 over 1950
Assam	0.43	0.45	0.44	0.44	2.33
Cachar	0.13	0.14	0.16	0.06	-53.85
Dooars and Terai	0.09	0.10	0.14	0.09	..
Darjeeling	0.16	0.15	0.30	0.22	-37.50
Tripura	1.63	1.86	1.76	0.67	-58.90
Bihar	0.02	0.04	..	0.07	250.00
Malabar Wynaad and Nilgiri Wynaad.	0.45	0.33	0.93	1.21	168.90
Madras	0.39	0.34	0.42	0.42	7.71
Travancore-Cochin State	0.25	0.26	0.32	0.53	112.00
Coorg	26.29	21.96	27.78	25.53	-2.90
Mysore	1.01	0.43	0.79	0.77	-76.20

Total cultivation

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	22.24	23.70	24.79	23.45	54.40
Cachar	22.16	26.70	29.14	16.18	-27.00
Dooars and Terai	16.63	20.03	21.36	14.92	-10.30
Darjeeling	34.63	39.29	40.67	31.70	-6.60
Tripura	19.21	19.73	20.52	12.00	-37.50
Bihar	10.49	15.97	17.72	12.43	18.50
Malabar Wynaad and Nilgiri Wynaad.	29.35	27.63	35.11	28.82	-1.80
Madras	23.30	22.26	25.49	23.19	-0.50
Travancore-Cochin State	24.42	22.61	28.24	30.02	22.90
Coorg	51.82	43.51	55.44	50.83	-1.90
Mysore	19.45	22.37	25.98	27.58	41.80

ANNEXURE XXXIV—*contd.*
B-6. Charges for gathering crop
(Plucking)

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	15.77	16.56	18.94	19.13	21.30
Cachar	14.85	16.56	18.83	14.51	-2.31
Dooars and Terai	16.48	17.63	19.64	16.47	-0.10
Darjeeling	26.23	27.61	32.45	30.67	16.90
Tripura	5.08	5.95	7.00	6.32	24.40
Bihar	12.04	13.83	15.91	13.05	8.40
Malabar Wynaad and Nilgiri Wynaad.	18.03	16.94	18.84	17.95	0.40
Madras	20.80	19.92	20.96	21.31	2.50
Travancore-Cochin State	19.76	18.36	20.13	24.82	25.60
Coorg	19.73	16.05	20.93	18.90	-4.20
Mysore	12.82	12.12	12.87	14.26	11.20

B-7. Other crop gathering charges

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	1.26	1.39	1.37	1.22	-3.20
Cachar	1.48	1.70	1.79	1.10	-25.70
Dooars and Terai	0.85	0.97	1.10	0.93	9.40
Darjeeling	1.30	1.40	1.60	1.58	21.50
Tripura	0.79	0.68	0.76	0.77	-2.50
Bihar	2.23	2.20	1.95	2.19	-1.80
Malabar Wynaad and Nilgiri Wynaad.	5.37	5.35	6.00	5.42	0.90
Madras	2.45	2.45	2.37	2.05	-16.30
Travancore-Cochin State	1.64	1.77	2.19	2.54	54.90
Coorg	5.56	4.80	4.73	4.88	-12.20
Mysore	3.55	3.94	3.70	3.63	2.30

ANNEXURE XXXIV—*contd.*

Total charges for gathering crop

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	17.03	17.95	20.31	20.35	19.50
Cachar	16.33	18.26	20.62	15.61	-4.40
Dooars and Terai	17.33	18.60	20.74	17.40	0.40
Darjeeling	27.53	29.01	34.05	32.25	17.10
Tripura	5.87	6.63	7.76	7.09	20.80
Bihar	14.27	16.03	17.86	15.24	6.80
Malabar Wynaad and Nilgiri Wynaad	23.40	22.29	24.84	23.37	-0.10
Madras	23.25	22.37	23.33	23.36	0.50
Travancore-Cochin State	21.40	20.13	22.32	27.36	27.90
Coorg	25.29	20.85	25.66	23.73	-6.00
Mysore	16.37	16.06	16.57	17.89	9.30

C-8. Manufacture

(Salary & Wages of Factory Staff)

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	1.14	1.21	1.38	1.54	35.10
Cachar	0.88	1.04	1.19	1.02	15.90
Dooars and Terai	1.91	2.53	2.57	2.24	17.30
Darjeeling	2.27	2.36	2.78	2.58	13.70
Tripura	1.37	1.36	1.77	1.51	17.50
Bihar	1.87	2.08	2.53	2.22	18.70
Malabar Wynaad and Nilgiri Wynaad	1.67	1.52	1.71	1.47	11.90
Madras	1.41	1.23	1.36	1.27	9.90
Travancore-Cochin State	1.78	1.65	1.90	2.03	14.00
Coorg	1.35	1.52	2.10	2.24	65.90
Mysore	6.08	6.01	6.08	7.87	29.40

ANNEXURE XXXIV—*contd.*

C-8(a). Wages factory labour

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	4.52	4.98	5.59	5.48	21.20
Cachar	4.89	5.42	6.09	3.94	—19.40
Dooars and Terai	4.63	5.17	5.57	5.54	19.70
Darjeeling	4.66	5.05	5.47	5.12	9.90
Tripura	6.39	5.16	6.78	4.85	—24.10
Bihar	8.62	8.56	8.49	6.81	—21.00
Malabar Wynaad and Nilgiri Wynaad.	3.40	2.75	2.75	2.74	—19.40
Madras	3.29	3.16	3.40	3.09	—6.10
Travancore-Cochin State	2.86	2.79	3.44	3.94	37.80
Coorg	3.40	2.93	3.28	4.01	17.90
Mysore	3.28	3.35	3.56	3.56	8.50

C-9. Coal and other fuel power and lighting

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	4.05	4.07	5.34	5.51	36.00
Cachar	5.73	5.49	5.74	5.52	—3.70
Doors and Terai	6.76	8.21	9.62	7.63	12.90
Darjeeling	6.05	7.48	9.24	7.57	25.10
Tripura	6.06	5.47	6.56	5.44	—10.20
Bihar	3.90	4.62	5.01	2.95	—24.40
Malabar Wynaad and Nilgiri Wynaad.	2.17	2.15	2.53	2.33	7.40
Madras	2.34	2.39	2.73	2.84	21.40
Travancore-Cochin State	2.30	2.34	2.84	3.36	46.10
Coorg	2.89	3.18	3.10	4.45	54.00
Mysore	5.18	4.82	5.96	4.93	—4.80

508
ANNEXURE XXXIV—*contd.*
C-10. Maintenance

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	3.83	4.23	5.03	4.79	25.10
Cachar	3.66	4.28	4.76	2.34	—36.10
Dooars and Terai	3.13	3.65	4.31	3.32	6.10
Darjeeling	2.91	4.01	3.77	3.08	5.80
Tripura	0.92	0.98	0.52	1.16	26.10
Bihar	1.61	2.57	2.48	1.31	—18.60
Malabar Wynaad and Nilgiri Wynaad.	2.79	2.84	3.27	2.47	—11.50
Madras	2.02	2.41	2.97	2.70	33.70
Travancore-Cochin State	2.20	2.22	2.42	3.02	8.20
Coorg	5.56	4.75	4.90	5.29	—4.90
Mysore	3.11	2.41	2.91	2.75	—11.60

C-11. General stores and local purchases

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	2.99	3.16	3.34	2.49	—16.70
Cachar	2.85	3.49	3.77	2.06	—27.70
Dooars and Terai	3.38	3.60	4.42	2.82	—16.60
Darjeeling	3.26	4.19	3.88	2.69	—17.50
Tripura	2.72	2.21	1.97	2.95	8.50
Bihar	1.63	2.05	1.38	1.00	—38.70
Malabar Wynaad and Nilgiri Wynaad.	0.95	0.70	0.69	0.44	—53.70
Madras	0.51	0.52	0.76	0.65	27.50
Travancore-Cochin State	0.22	0.23	0.62	0.25	13.60
Coorg	0.27	0.28	0.28	0.37	37.00
Mysore . . . . .	..	..	..	..	..

ANNEXURE XXXIV—*contd.*

C-12. Other charges

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	2.22	2.50	2.64	2.37	6.80
Cachar	2.19	2.53	3.25	2.67	21.90
Dooars and Terai	1.96	2.41	2.63	2.27	15.80
Darjeeling	3.10	3.78	3.72	3.26	5.20
Tripura	0.78	0.81	0.78	0.62	-20.50
Bihar	2.44	2.69	2.44	2.11	-13.50
Malabar Wynaad and Nilgiri Wynaad	1.40	1.07	1.39	1.21	-13.60
Madras	0.93	0.97	1.14	1.09	1.70
Travancore-Cochin State	1.86	1.67	1.82	1.94	3.20
Coorg . . . . .	..	..	..	..	..
Mysore	0.30	0.22	0.24	0.24	40.00

Total manufacture

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	18.75	20.15	23.32	22.18	18.10
Cachar	20.20	22.25	24.78	17.55	-13.10
Dooars and Terai	21.77	25.57	29.12	22.82	4.80
Darjeeling	22.25	26.87	28.86	24.30	9.20
Tripura	18.24	15.99	18.38	16.53	-9.40
Bihar	20.07	22.57	22.33	16.40	-18.30
Malabar Wynaad and Nilgiri Wynaad	12.38	11.03	12.34	10.66	-13.90
Madras	10.50	10.68	12.36	11.64	10.90
Travancore-Cochin State	11.24	10.90	13.04	14.54	29.40
Coorg	13.47	12.71	13.66	16.36	21.50
Mysore	17.95	16.81	18.75	19.53	8.80

ANNEXURE XXXIV—*contd.*D-13. General charges.
(Up-keep)

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	7.76	8.57	8.18	6.22	—20.20
Cachar	11.08	13.36	13.91	5.68	—48.70
Dooars and Terai	6.28	8.04	8.75	5.58	—11.10
Darjeeling	10.68	10.60	11.11	8.87	—16.90
Tripura	5.92	6.86	7.51	5.66	—4.40
Bihar	4.73	5.76	5.58	3.26	—31.10
Malabar Wynaad and Nilgiri Wynaad.	3.47	3.41	5.06	4.08	14.70
Madras	3.82	3.52	4.02	4.24	15.20
Travancore-Cochin State	3.70	4.00	5.45	5.02	35.70
Coorg	6.42	3.90	3.23	4.75	—26.00
Mysore	5.26	4.75	3.77	3.80	—27.80

D-14. Recruiting expenses

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	2.24	2.40	2.06	1.18	—47.30
Cachar	0.58	0.75	0.69	0.51	—12.10
Dooars and Terai	0.93	1.07	1.16	0.51	—45.20
Darjeeling	0.10	0.07	0.08	0.08	—20.00
Tripura	0.09	0.08	0.07	0.02	—77.80
Bihar	1.87	1.78	1.46	0.85	—54.50
Malabar Wynaad and Nilgiri Wynaad.	2.06	1.58	1.49	1.26	—38.80
Madras	0.74	0.59	0.66	0.80	8.10
Travancore-Cochin State	1.09	1.03	1.47	1.83	67.90
Coorg	4.89	3.89	4.04	4.27	—12.70
Mysore	3.95	3.81	3.12	2.63	—33.40

ANNEXURE XXXIV—*contd.*

D14(a). Medical benefits

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	4.62	4.65	5.02	4.93	6.70
Cachar	4.64	5.64	5.76	3.24	—30.20
Dooars and Terai	2.44	2.76	3.22	2.76	13.10
Darjeeling	4.94	5.40	5.79	5.90	19.40
Tripura	1.35	1.40	2.15	1.36	0.70
Bihar	1.10	1.28	1.56	1.25	13.60
Malabar Wynaad and Nilgiri Wynaad.	3.85	3.70	4.55	3.88	0.80
Madras	3.07	3.10	3.51	3.23	5.21
Travancore-Cochin State	1.81	1.72	2.07	2.24	23.80
Coorg	4.68	4.49	4.27	3.48	—25.60
Mysore	2.64	2.85	2.85	2.48	—6.10

D14(b). Other labour benefits

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	6.98	7.69	7.78	6.82	—2.30
Cachar	3.94	4.76	5.54	2.66	—32.50
Dooars and Terai	4.47	5.43	5.61	3.36	—24.80
Darjeeling	9.06	9.56	10.50	8.43	—7.00
Tripura	7.05	7.70	6.25	4.15	—41.10
Bihar	5.38	7.00	8.98	6.28	16.70
Malabar Wynaad and Nilgiri Wynaad.	7.14	5.96	5.74	4.14	—42.00
Madras	6.26	5.15	5.86	5.69	—9.10
Travancore-Cochin State	6.45	6.40	7.10	5.75	—10.90
Coorg	6.62	6.11	3.43	3.38	—34.30
Mysore	6.20	6.08	6.41	5.08	—18.10

512
ANNEXURE XXXIV—*contd.*

D 15. Bonus to staff

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam . . .	0.40	0.29	0.17	0.47	17.50
Cachar . . .	0.34	0.24	0.16	0.29	—14.70
Dooars and Terai	0.67	0.70	0.40	0.71	6.00
Darjeeling . .	0.36	0.30	0.10	0.34	—5.60
Tripura . . .	0.80	0.58	0.77	1.00	—25.00
Bihar . . .	1.22	0.93	0.42	0.65	—46.70
Malabar Wynaad and Nilgiri Wynaad.	2.19	2.20	1.51	2.61	—19.20
Madras	1.05	0.93	0.83	0.89	—15.20
Travancore-Cochin State .	2.00	1.95	1.01	2.15	7.50
Coorg	0.66	0.62	0.65	0.65	—1.50
Mysore	1.19	1.51	1.47	1.58	32.70

D. 15. (a) Commission to managers and staff.

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	3.24	1.94	1.27	3.79	17.00
Cachar	2.06	0.50	0.08	3.93	90.80
Dooars and Terai	2.00	0.85	0.30	3.27	63.50
Darjeeling	2.82	0.79	0.45	3.54	25.50
Tripura	0.78	0.47	0.36	0.80	2.60
Bihar	1.30	0.97	0.63	0.74	—43.10
Malabar Wynaad and Nilgiri Wynaad.	0.19	0.29	0.15	0.21	10.50
Madras	2.80	3.27	2.38	2.62	—6.4
Travancore-Cochin State .	2.29	2.42	0.49	1.68	—25.30
Coorg	4.76	5.34	3.10	0.53	
Mysore	1.13	1.27	0.59	0.69	—38.60

ANNEXURE XXXIV—*contd.*

D-15(b). Commission to director and agency allowance

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	3.35	2.95	3.08	3.82	14.00
Cachar	4.79	4.47	3.56	5.37	12.10
Dooars and Terai	3.94	2.83	2.46	4.33	9.90
Darjeeling	4.14	3.19	3.32	4.74	14.50
Tripura	6.11	4.39	3.70	9.57	56.60
Bihar	4.33	3.39	2.62	2.89	-33.30
Malabar Wynaad and Nilgiri Wynaad.	1.52	1.32	1.36	1.19	-21.70
Madras	3.14	2.73	2.41	2.83	-9.90
Travancore-Cochin State	3.16	2.82	1.82	2.62	-17.10
Coorg	1.11	0.61	0.91	8.12	631.50
Mysore	5.11	5.75	4.22	5.72	11.90

D-16. Bonus to labour

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	0.49	0.48	0.42	0.44	10.20
Cachar	0.97	1.15	1.15	1.12	15.50
Dooars and Terai	0.06	0.06	0.03	0.54	20.00
Darjeeling	0.92	0.95	0.16	0.53	-42.40
Tripura	6.37	6.67	6.68	6.46	1.40
Bihar	0.12	0.09	0.10	..	..
Malabar Wynaad and Nilgiri Wynaad.	3.84	3.96	3.89	3.48	-9.40
Madras	3.72	3.58	3.35	3.42	-8.10
Travancore-Cochin State	2.07	2.60	2.16	3.28	58.50
Coorg	1.44	0.80	1.11	1.00	-30.60
Mysore	0.02	0.01	0.03	0.02	..

ANNEXURE XXXIV—*contd.*

D-17. Salaries to estate

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	12.06	12.32	14.02	15.00	24.00
Cachar	11.98	14.35	16.25	14.26	19.00
Dooars and Terai	7.68	8.84	10.38	9.88	28.60
Darjeeling	23.15	23.76	27.43	26.56	14.70
Tripura	5.90	6.79	7.32	6.07	2.90
Bihar	8.46	9.69	11.81	9.56	13.00
Malabar Wynaad and Nilgiri Wynaad.	13.12	9.91	11.15	9.37	—28.60
Madras	8.48	7.55	8.00	7.23	—14.70
Travancore-Cochin State	10.84	10.97	10.50	11.62	7.20
Coorg	6.80	5.58	7.16	6.75	—0.70
Mysore	12.36	11.35	12.18	11.99	3.00

D-17 (a). Salaries to head office

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	1.23	1.20	1.37	1.56	26.80
Cachar	0.86	0.84	0.88	1.26	46.50
Dooars and Terai	1.38	1.52	1.66	1.02	—26.10
Darjeeling	3.26	3.30	3.72	4.14	26.90
Tripura	2.85	2.62	2.86	2.46	—13.70
Bihar	1.10	2.16	2.15	1.86	69.10
Malabar Wynaad and Nilgiri Wynaad.	1.72	0.97	0.93	0.82	—52.30
Madras	1.71	1.62	1.75	2.20	28.70
Travancore-Cochin State	0.45	0.54	0.59	0.65	44.40
Coorg	0.81	0.72	0.78	0.77	—4.90
Mysore	3.65	3.20	3.43	3.33	—8.80

ANNEXURE XXXIV—*contd.*D-18. Expenses—*estate*

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	3.70	4.08	4.23	4.44	20.00
Cachar	2.92	3.95	4.14	3.79	29.80
Dooars and Terai	2.15	2.58	2.94	2.61	21.40
Darjeeling	3.97	4.24	4.89	4.47	12.60
Tripura	2.70	2.62	3.07	2.38	—11.90
Bihar	2.78	3.76	2.44	2.31	—16.90
Malabar Wynaad and Nilgiri Wynaad.	5.52	3.82	4.40	5.24	—5.10
Madras	5.29	4.82	4.97	5.55	4.90
Travancore-Cochin State	2.43	2.33	2.66	2.94	21.00
Coorg	1.51	1.54	1.93	1.81	19.90
Mysore	2.39	2.36	2.55	2.95	23.40

D-18(a) Expenses—*head office*

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	1.81	1.93	2.42	2.55	40.90
Cachar	2.34	2.84	3.46	3.13	33.80
Dooars and Terai	2.40	2.76	3.51	3.27	36.30
Darjeeling	4.22	5.04	6.62	6.70	58.80
Tripura	4.20	3.06	2.62	2.76	—34.30
Bihar	3.64	3.72	3.90	3.86	6.00
Malabar Wynaad and Nilgiri Wynaad.	4.58	3.81	4.40	3.95	—13.80
Madras	1.38	1.16	1.65	1.28	—7.20
Travancore-Cochin State	1.53	1.24	2.16	2.32	51.60
Coorg	1.73	1.42	2.16	1.99	13.70
Mysore	2.58	2.11	2.34	2.79	8.10

516
ANNEXURE XXXIV—*contd.*
D-18 (b). Depreciation

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	1.85	1.98	2.02	2.27	22.70
Cachar	1.72	2.19	2.53	2.68	55.80
Dooars and Terai	2.25	2.45	3.26	3.34	48.40
Darjeeling	3.61	2.83	2.84	5.89	63.20
Tripura . . . . .	..	..	..	..	..
Bihar	2.18	2.10	2.35	2.00	—8.30
Malabar Wynaad and Nilgiri Wynaad.	5.37	6.22	7.05	5.83	8.60
Madras	6.39	7.24	6.53	7.64	19.60
Travancore-Cochin State	3.46	3.54	1.86	5.90	70.50
Coorg	6.12	5.74	4.96	4.14	—32.30
Mysore	2.88	3.56	4.32	3.69	28.10

Total general charges

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	49.73	50.48	52.04	53.49	7.60
Cachar	48.22	55.04	58.15	47.92	—0.60
Dooars and Terai	36.65	39.89	43.68	41.78	13.90
Darjeeling	71.23	70.03	77.01	80.19	12.60
Tripura	44.12	43.24	43.36	42.69	—3.20
Bihar	38.21	42.63	44.00	35.51	—7.10
Malabar Wynaad and Nilgiri Wynaad.	54.67	47.15	51.68	46.06	—15.60
Madras	47.85	45.26	45.92	47.62	—0.50
Travancore-Cochin State	41.28	41.56	32.34	48.00	16.30
Coorg	47.57	40.85	37.73	41.64	—12.50
Mysore	49.36	48.61	47.98	46.75	—5.30

ANNEXURE XXXIV—*contd.*

E-19. Cost of tea chests

(In rupees. per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	10.34	9.77	10.77	10.17	—1.60
Cachar	10.22	10.20	10.17	9.52	—6.80
Dooars and Terai	10.92	11.20	11.50	10.74	—1.60
Darjeeling	12.78	13.56	13.42	10.15	—20.60
Tripura	11.29	8.53	8.76	7.54	—33.20
Bihar	7.53	7.21	8.06	7.81	3.70
Malabar Wynaad and Nilgiri Wynaad.	7.56	7.87	8.36	2.84	—62.40
Madras	8.42	9.16	9.31	8.24	—2.10
Travancore-Cochin State	8.87	9.09	9.32	9.72	9.60
Coorg . . . . .	..	..	..	..	..
Mysore	7.41	6.67	8.15	7.39	—0.30

E-20. Other materials

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	0.53	0.55	0.58	0.56	5.70
Cachar	0.77	0.72	0.67	0.80	3.90
Dooars and Terai	0.31	0.33	0.33	0.29	—6.30
Darjeeling	0.31	0.30	0.22	0.17	—45.20
Tripura . . . . .	..	0.02	0.01	..	..
Bihar	0.05	..	0.06	..	..
Malabar Wynaad and Nilgiri Wynaad.	0.04	0.04	0.06	0.05	25.00
Madras	0.06	0.09	0.07	0.08	34.00
Travancore-Cochin State	0.01	0.02	0.02	0.02	100.00
Coorg . . . . .	..	..	..	..	..
Mysore	1.07	0.99	1.10	1.08	0.90

ANNEXURE XXXIV—*contd.*

E-21. Labour for packing

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	0.50	0.54	0.64	0.61	22.00
Cachar	0.42	0.45	0.54	0.38	-9.50
Dooars and Terai	0.40	0.42	0.46	0.41	2.50
Darjeeling	0.61	0.81	0.72	0.62	1.60
Tripura	0.39	0.27	0.25	0.24	-38.50
Bihar	0.46	0.55	0.47	0.40	-13.00
Malabar Wynaad and Nilgiri Wynaad.	1.99	1.96	2.38	2.27	14.10
Madras	1.23	1.04	1.14	0.99	-19.50
Travancore-Cochin State	0.17	0.17	0.18	0.26	52.90
Coorg	10.75	12.51	9.27	7.02	-34.70
Mysore	0.31	0.27	0.35	0.43	38.70

Total packing

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	11.37	10.86	11.99	11.34	-0.30
Cachar	11.41	11.37	11.38	10.70	-6.20
Dooars and Terai	11.63	11.95	12.29	11.44	-1.60
Darjeeling	13.70	14.67	14.36	10.94	-20.10
Tripura	11.68	8.82	9.02	7.78	-33.40
Bihar	8.04	7.76	8.59	8.21	2.10
Malabar Wynaad and Nilgiri Wynaad.	9.59	9.87	10.80	5.16	-45.20
Madras	9.71	10.29	10.52	9.31	-4.10
Travancore-Cochin State	9.05	9.28	9.52	10.00	10.50
Coorg	10.75	12.51	9.27	7.02	34.70
Mysore	8.79	7.93	9.60	8.90	1.30

ANNEXURE XXXIV—*contd.*

F-22. Selling expenses

(In rupees. per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	4.99	6.20	6.63	6.92	38.70
Cachar	4.14	7.88	7.21	8.63	108.40
Dooars and Terai	6.04	9.24	8.31	8.53	41.20
Darjeeling	9.14	9.67	8.65	8.25	-9.70
Tripura	18.22	15.97	13.54	13.68	-24.90
Bihar	2.78	2.61	3.65	3.49	25.50
Malabar Wynaad and Nilgiri Wynaad.	2.75	2.88	3.28	5.30	66.40
Madras	3.07	2.96	3.38	4.36	42.00
Travancore-Cochin State	2.59	2.62	3.10	3.30	27.40
Coorg	3.84	3.28	6.58	3.01	-21.60
Mysore	1.14	1.19	1.53	1.27	11.40

F-23. Stock and transit insurance

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	0.59	0.83	0.87	0.93	57.60
Cachar	0.79	1.04	0.91	0.84	6.30
Dooars and Terai	0.76	0.90	0.80	0.88	15.80]
Darjeeling	1.29	1.53	1.26	1.28	-0.80
Tripura	0.53	0.55	0.47	0.48	-9.40
Bihar	0.23	0.44	0.52	0.37	60.90
Malabar Wynaad and Nilgiri Wynaad.	0.86	0.78	0.78	0.67	-22.10
Madras	0.65	0.63	0.76	0.67	3.10
Travancore-Cochin State	0.34	0.29	0.31	0.34	..
Coorg . . . . .	..	..	..	..	..
Mysore	0.19	0.12	0.40	0.43	126.30

ANNEXURE XXXIV—*contd.*

F-24. Forwarding and selling expenses

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	2.57	5.82	7.00	7.82	203.50
Cachar	3.34	8.12	6.13	7.23	116.50
Dooars and Terai	3.24	6.60	6.17	6.57	102.80
Darjeeling	3.71	6.16	4.50	6.77	82.50
Tripura	4.16	3.35	3.51	3.56	-14.40
Bihar	2.70	2.87	3.62	4.05	50.00
Malabar Wynaad and Nilgiri Wynaad.	1.04	0.83	1.01	0.81	-22.10
Madras	0.82	0.82	0.89	0.97	18.30
Travancore-Cochin State	0.96	1.30	1.39	1.82	89.60
Coorg . . . . .	..	0.98	0.13	0.71	..
Mysore	0.30	0.62	0.86	1.25	316.71

F-25. Export Quota charges

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	1.39	0.82	0.37	1.66	19.40
Cachar	0.58	0.14	0.09	0.39	-32.80
Dooars and Terai	1.34	0.81	0.29	1.95	45.50
Darjeeling	1.17	0.66	0.31	1.14	-2.60
Tripura	0.06	0.05	0.07	1.46	233.30
Bihar	0.58	Cr. 0.55	Cr. 0.08	1.48	155.20
Malabar Wynaad and Nilgiri Wynaad.	0.06	0.06	0.06	0.22	266.70
Madras	2.78	4.01	2.89	3.36	20.90
Travancore-Cochin State	0.14	0.69	0.24	0.27	92.90
Coorg	0.06	0.05	0.06	0.06	..
Mysore	0.06	0.05	0.06	0.05	-16.70

ANNEXURE XXXIV—*contd.*

Total selling expenses

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	9.54	13.67	14.87	17.33	81.70
Cachar	8.85	17.18	14.34	17.09	93.10
Dooars and Terai	11.38	17.55	15.57	17.93	57.60
Darjeeling	15.31	18.02	14.72	17.44	13.90
Tripura	22.97	19.92	19.59	19.18	—16.50
Bihar	6.29	5.37	7.71	9.39	49.30
Malabar Wynaad and Nilgiri Wynaad.	4.71	4.55	5.13	7.00	48.60
Madras	7.32	8.42	7.92	9.36	27.90
Travancore-Cochin State	4.03	4.90	5.04	5.73	42.20
Coorg	3.90	4.31	6.77	3.78	—3.10
Mysore	1.69	1.98	2.85	3.00	77.50

Total (Average cost of production)

(In rupees per 100 lbs.)

Region	1950	1951	1952	1953	% rise or fall in 1953 over 1950
Assam	128.66	136.81	147.32	148.14	15.10
Cachar	127.17	150.80	158.41	125.05	—1.70
Dooars and Terai	115.39	133.59	142.76	126.29	9.40
Darjeeling	184.65	197.89	209.67	195.82	6.00
Tripura	122.09	114.33	118.63	105.27	—13.80
Bihar	97.37	110.33	118.21	97.18	—0.20
Malabar Wynaad and Nilgiri Wynaad.	134.02	122.52	139.90	121.07	—9.70
Madras	121.93	119.28	125.54	124.48	2.10
Travancore-Cochin State	111.42	109.38	117.50	135.65	21.70
Coorg	152.80	134.74	148.53	143.41	—6.10
Mysore	113.61	114.76	121.73	123.65	8.80

SOURCE : Returns from estates.

ANNEXURE XXXIV

Table showing percentage rise or fall in major heads of cost of production in 1953 over 1950 in different regions

A—Cultivation

Region	1950 (in Rs. per 100 lbs.)	Rise or fall in 1953 over 1950 (in Rs.)	% rise or fall in 1953 over 1950
Assam	22·24	1·21	5·44
Cachar	22·16	—5·98	—26·98
Dooars and Terai	16·63	—1·71	—10·28
Darjeeling	34·63	—3·93	—11·34
Tripura	19·21	—7·21	—37·53
Bihar	10·49	1·94	18·49
Average (weighted) for North India	20·57	—0·42	—2·04
Malabar Wynaad and Nilgiri Wynaad	29·35	—0·53	—1·80
Madras	23·30	—0·11	—0·47
Travancore-Cochin State	24·42	5·60	22·91
Coorg	51·82	—0·99	—1·91
Mysore	19·45	8·13	41·79
Average (weighted) for South India	24·86	2·55	10·25
Average (weighted) cost of Production for All India	21·24	0·31	1·45

B—Gathering crop

Region	1950 (in Rs. per 100 lbs.)	Rise or fall in 1953 over 1950 (in Rs.)	Percentage rise or fall in 1953 over 1950
Assam	17·03	3·32	19·49
Cachar	16·33	—0·72	—4·40
Dooars and Terai	17·33	0·07	0·40
Darjeeling	27·53	4·72	17·14
Tripura	5·87	1·22	20·78
Bihar	14·27	0·97	6·79
Average (weighted) for North India	17·35	1·91	11·00
Malabar Wynaad and Nilgiri Wynaad	23·40	—0·07	—0·29
Madras	23·25	0·11	0·47
Travancore-Cochin State	21·40	5·96	27·85
Coorg	25·29	—1·51	—5·97
Mysore	16·37	1·52	9·28
Average (weighted) for South India	22·28	2·82	12·65
Average (weighted) cost of Production for All India	18·12	2·26	12·47

C—Manufacture

Region	1950 (in Rs. per 100 lbs.)	Rise or fall in 1953 over 1950 (in Rs.)	Percentage rise or fall in 1953 over 1950
Assam	18·75	3·43	18·29
Cachar	20·20	—2·65	—13·12
Dooars and Terai	21·77	1·05	4·82
Darjeeling	22·25	2·05	9·21
Tripura	18·24	—1·71	—9·37
Bihar	20·07	—3·67	—18·28
Average (weighted) for North India	20·05	2·00	9·97
Malabar Wynaad and Nilgiri Wynaad	12·38	—1·72	—13·89
Madras	10·50	1·14	10·85
Travancore-Cochin State	11·24	3·30	29·36
Coorg	13·47	2·89	21·45
Mysore	17·95	1·58	8·80
Average (weighted) for South India	11·26	1·61	14·29
Average (weighted) cost of Production for All India	18·67	1·62	8·67

D—General charges

Region	1950 (in Rs. per 100 lbs.)	Rise or fall in 1953 over 1950 (in Rs.)	Percentage in rise or fall in 1953 over 1950
Assam	49·73	3·76	7·56
Cachar	48·22	—0·30	—0·62
Dooars and Terai	36·65	5·13	13·99
Darjeeling	71·23	8·96	12·57
Tripura	44·12	—1·43	—3·24
Bihar	38·21	—2·70	—7·06
Average (weighted) for North India	45·61	4·42	9·69
Malabar Wynaad and Nilgiri Wynaad	54·57	—8·51	—15·59
Madras	47·85	—0·23	—0·47
Travancore-Cochin State	41·28	6·72	16·27
Coorg	47·57	—5·93	—12·46
Mysore	49·36	—2·61	—5·28
Average (weighted) for South India	45·67	1·82	3·99
Average (weighted) cost of Production for All India	45·61	3·93	8·62

E—Packing

Region	1950 (in Rs. per 100 lbs.)	Rise or fall in 1953 over 1950 (in Rs.)	Percentage in rise or fall in 1953 over 1950
Assam	11·37	—0·03	—0·29
Cachar	11·41	—0·71	—6·22
Dooars and Terai	11·63	—0·19	—1·63
Darjeeling	13·70	—2·76	—20·15
Tripura	11·68	—3·90	—33·39
Bihar	8·04	0·17	2·11
Average (weighted) for North India	11·51	—0·21	—1·82
Malabar Wynaad and Nilgiri Wynaad	9·59	—4·43	—46·19
Madras	9·71	—0·40	—4·12
Travancore -Cochin State	9·05	0·95	10·50
Coorg	10·75	—3·73	—34·70
Mysore	8·79	0·11	1·25
Average (weighted) for South India	9·36	—0·52	—5·56
Average (weighted) cost of Production for All India	11·18	—0·36	—3·22

F—Selling expenses

Region	1950 (in Rs. per 100 lbs.)	Rise or fall in 1953 over 1950 (in Rs.)	Percentage rise or fall in 1953 over 1950
Assam	9·54	7·79	81·66
Cachar	8·85	8·24	93·11
Dooars and Terai	11·38	6·55	57·56
Darjeeling	15·31	2·13	13·91
Tripura	22·97	—3·79	—16·50
Bihar	6·29	1·01	16·06
Average (weighted) for North India	10·31	7·15	69·35
Malabar Wynaad and Nilgiri Wynaad	4·71	2·29	48·62
Madras	7·32	2·04	27·87
Travancore-Cochin State	4·03	1·70	42·18
Coorg	3·90	—0·12	—3·08
Mysore	1·69	1·31	77·51
Average (weighted) for South India	5·19	2·03	39·11
Average (weighted) cost of Production for All India	9·51	5·99	62·99

SOURCE : Returns from estates.

ANNEXURE—XXXXVI

Statement showing cost of production of tea according to different types of management within each region.

1950

REGION :—Assam

(In rupees per 100 lbs.)

Type of Ownership/ Management	Reported Planted Acreage	Production (in lbs.)	A Cultiva- tion	B Gathering Crop	C Manufac- ture	D General Charges	E Packing	F Selling expenses	Total A to F (average cost of produc- tion	Commis- sion to Manag- ing Ag- ents on to Ma- naging Agents	Average cost ex- cluding Commis- sion
1	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies (Con- trolled by Managing Agents/Secretaries, etc.)</i>	1,84,548	177,088,643	22.79	17.93	18.88	49.81	11.52	8.71	129.64	6.41	123.23
<i>Rupree Companies : Non-Indian Managing Agents Control :</i>											
Non-Indian	13,144	11,377,283	20.00	13.57	16.68	53.03	10.14	11.02	124.98	8.99	115.99
Partly Indian and Partly Non-Indian	21,578	19,737,288	17.75	13.63	16.41	53.98	11.38	13.58	126.73	8.68	118.05
<i>Indian Managing Agents Control :</i>											
Indian	622	609,360	17.56	14.61	16.11	58.19	12.44	13.83	132.74	12.40	120.34
Partly Indian and Partly Non-Indian	4,603	5,154,759	18.09	14.02	21.56	61.54	10.52	13.81	139.55	8.78	130.77

ANNEXURE XXXVI—contd.
1950—contd.

1	2	3	4	5	6	7	8	9	10	11	12
<i>Outside Managing Agents Control:</i>											
Public Ltd. Indian	3,385	5,043,374	15.62	12.89	20.37	37.28	10.14	12.58	108.88	3.32	105.56
Private Ltd. Indian	3,398	2,475,915	17.59	13.31	18.29	32.28	9.38	11.84	102.69	1.30	101.39
<i>Proprietary and Partnership concerns:</i>											
Indian . . .	3,673	3,015,070	45.24	11.60	29.43	29.66	7.29	9.24	132.46	0.59	131.87
Non-Indian . . .	1,767	1,390,226	33.62	21.66	13.69	31.56	11.01	13.79	125.33	3.67	121.66
Average cost (weighted) for the Region .	2,38,718	225,891,918	22.24	17.03	18.75	49.73	11.37	9.54	128.66	6.59	122.07
1951											
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.) .</i>											
	1,84,853	198,653,081	23.86	18.51	20.12	50.67	10.82	12.50	136.48	4.71	131.77
<i>Rupet Companies : Non-Indian Managing Agents Control :</i>											
Non-Indian . . .	13,216	11,826,484	22.63	16.75	19.99	53.48	10.19	19.78	142.82	1.69	141.13
Partly Indian and Partly Non-Indian . . .	21,668	20,372,018	20.06	15.38	18.18	53.38	11.95	21.00	139.95	6.52	133.43

ANNEXURE XXXVI—contd.

1951—contd.

528

1	2	3	4	5	6	7	8	9	10	11	12
<i>Indian Managing Agents</i>											
<i>Control :</i>											
Indian . . .	1,150	1,070,480	27.98	15.12	25.99	50.08	10.15	13.47	142.79	5.26	137.53
Partly Indian and Partly Non-Indian . .	4,644	4,893,936	22.54	17.64	21.28	62.77	11.42	16.11	151.76	6.70	145.06
<i>Outside Managing Agents</i>											
<i>Control :</i>											
Public Ltd. Indian	5,352	5,238,679	19.30	15.79	23.33	41.83	10.04	11.99	122.28	2.43	119.85
Private Ltd. Indian	4,246	3,197,226	20.88	13.11	20.40	36.00	9.24	14.80	114.43	0.70	113.73
<i>Proprietary and Partnership concerns:</i>											
Indian . . .	3,553	3,311,921	46.77	12.41	31.08	32.93	7.77	11.49	142.45	0.81	141.64
Non-Indian . .	1,767	1,718,996	31.41	22.31	13.10	20.08	12.52	19.86	119.28	1.98	117.30
<i>Average cost (weighted) for the Region .</i>											
	2,40,449	250,282,821	23.70	17.95	20.15	50.48	10.86	13.67	136.81	4.89	131.92

ANNEXURE XXXVI—contd.

1952

1	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies (Controlled by Managing Agents/ Secretaries etc.)</i>											
	1,85,203	195,425,745	25'38	21'08	23'52	52'13	12'31	14'25	148'67	4'05	144'62
<i>Rubee Companies : Non-Indian Managing Agents Control:</i>											
Non-Indian . .	13,339	12,311,165	22'33	19'09	22'81	51'69	11'43	18'37	145'72	6'61	139'11
Partly Indian and Partly Non-Indian . .	21,788	20,828,848	20'54	16'73	20'62	60'51	11'56	20'03	149'99	7'71	142'28
<i>Indian Managing Agents Control :</i>											
Indian . . .	1,208	1,189,414	25'57	16'47	30'66	38'84	9'30	11'84	132'68	4'13	128'55
Partly Indian and Partly Non-Indian . .	4,676	5,747,573	20'00	16'82	21'20	56'34	10'18	14'81	139'35	4'67	134'68
<i>Outside Managing Agents Control :</i>											
Public Ltd. Indian	5,449	4,670,136	17'96	18'13	26'06	42'38	10'32	11'94	126'79	1'62	125'17
Private Ltd. Indian	4,291	2,854,688	23'92	17'86	24'24	39'93	9'37	13'36	128'68	0'30	128'38

ANNEXURE XXXVI—contd.

1952—concl'd.

1	2	3	4	5	6	7	8	9	10	11	12
<i>Proprietary and Partnership concerns:</i>											
Indian . . .	3,625	3,685,719	98'76	13'83	28'71	29'12	7'41	10'81	128'64	0'78	127'86
Non-Indian . . .	1,767	1,470,518	34'29	24'20	16'88	28'12	12'16	19'30	134'95	1'17	133'78
Average cost (weighted) for the Region . . .	2,41,346	248,183,806	24'79	20'31	23'32	52'04	11'99	14'87	147'32	4'35	142'97

1953

<i>Sterling Companies (Controlled by Managing Agents / Secretaries, etc.) . . .</i>											
	1,86,310	182,201,102	24'24	21'14	22'79	54'83	11'55	16'75	151'30	7'29	144'01
<i>Rupree Companies : Non-Indian Managing Agents Control</i>											
Non-Indian . . .	13,386	11,422,193	20'02	19'55	19'95	55'13	11'48	21'66	147'79	12'87	134'92

ANNEXURE XXXVI—*concl.*
1953—*concl.*

531

1	2	3	4	5	6	7	8	9	10	11	12
Partly Indian and Partly Non-Indian . . .	21,890	19,749,248	18.77	17.32	18.54	58.01	11.32	21.29	145.25	10.26	134.99
<i>Indian Managing Agents Control:</i>											
Indian . . .	1,266	1,203,869	26.02	16.30	34.59	46.13	7.94	14.25	145.23	8.03	137.20
Partly Indian and Partly Non-Indian. . .	4,721	5,298,761	20.52	17.68	18.85	61.07	10.13	18.57	146.82	9.97	136.85
<i>Outside Managing Agents Control :</i>											
Public Ltd., Indian	5,507	4,897,743	12.02	15.24	21.37	37.19	10.50	15.14	111.46	4.00	107.46
Private Ltd., Indian	4,338	3,343,790	15.60	16.06	17.75	29.72	8.29	14.73	102.15	1.55	100.60
<i>Proprietary and Partnership concerns:</i>											
Indian . . .	3,801	3,609,129	40.12	14.25	26.27	30.37	7.11	12.69	130.81	1.13	129.68
Non-Indian . . .	1,767	1,365,794	39.69	23.91	15.96	34.14	12.68	25.85	152.23	3.51	148.72
<i>Average cost (weighted) for the Region</i>											
Average cost (weighted) for the Region	2,42,986	233,091,629	23.45	20.35	22.18	53.49	11.34	17.33	148.14	7.61	140.53

ANNEXURE XXXVI—contd.

1950

REGION :—Cachar.

1	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies (Controlled by Managing Agents / Secretaries, etc.)</i>	37,112	26,782,023	22'37	15'98	19'98	48'28	11'25	8'73	126'49	6'81	119'68
<i>Rupee Companies : Non-Indian Managing Agents Control :</i>											
Non-Indian . .	5,821	3,708,250	24'73	18'57	19'46	47'65	11'42	8'56	130'39	7'00	123'39
Partly Indian and Partly Non-Indian . .	5,499	4,052,143	18'41	18'59	21'74	44'37	13'13	10'28	126'52	8'86	117'66
<i>Indian Managing Agents Control :</i>											
Indian	469	377,558	12'31	8'71	20'75	25'67	11'11	7'50	86'05	6'54	79'51
Partly Indian and Partly Non-Indian . .	3,520	1,109,476	23'03	11'79	21'67	70'07	9'84	9'52	145'92	5'02	140'90

ANNEXURE XXXVI—*contd.*
1951—*contd.*

1	2	3	4	5	6	7	8	9	10	11	12
<i>Outside Managing Agents Control :</i>											
Public Ltd., Indian	1,334	512,290	21.77	16.74	19.38	50.56	12.86	8.02	129.33	..	..
<i>Proprietary and Partnership concerns:</i>											
Indian . . .	1,415	487,546	27.76	15.19	28.29	45.84	8.69	6.63	132.40	0.15	132.25
Average cost (weighted) for the Region	55,170	37,029,286	22.16	16.33	20.20	48.22	11.41	8.85	127.17	6.85	120.32
1951											
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.) . . .</i>											
	37,115	24,656,798	27.23	17.91	21.59	54.91	11.23	17.77	150.64	4.94	145.70
<i>Rupree Companies : Non-Indian Managing Agents Control :</i>											
Non-Indian . . .	5,813	3,355,846	30.69	20.55	24.36	54.27	12.05	13.63	155.55	5.21	150.34
Partly Indian and Partly Non-Indian . . .	5,550	3,563,127	22.69	21.24	25.04	51.95	12.86	21.63	155.41	6.32	149.09
<i>Indian Managing Agents Control :</i>											
Indian . . .	476	366,176	12.61	7.87	17.55	29.38	9.85	9.07	86.33	5.79	80.54

ANNEXURE XXXVI—*concl.*

1951—*concl.*

1	2	3	4	5	6	7	8	9	10	11	12
Partly Indian and Partly Non-Indian .	3,520	1,074,960	16·87	13·21	16·31	80·34	10·04	10·82	147·59	4·04	143·55
<i>Outside Managing Agents Control :</i>											
Public Ltd. Indian .	1,345	405,544	29·34	19·19	26·32	72·41	11·83	11·06	170·15	1·10	169·05
<i>Proprietary and Partnership concerns :</i>											
Indian . . .	1,424	494,267	35·22	16·49	33·57	38·24	6·99	5·12	135·63	0·13	135·50
Average cost (weighted) for the Region .	55,243	33,916,718	26·70	18·26	22·25	55·04	11·37	17·18	150·80	4·97	145·83

1952

<i>Starling Companies (Controlled by Managing Agents/Secretaries, etc.).</i>	37,346	23,895,967	28·64	19·82	23·60	57·85	11·33	14·45	155·69	3·63	152·06
--	--------	------------	-------	-------	-------	-------	-------	-------	--------	------	--------

ANNEXURE XXXVI—*contd.*
1952—*concl'd.*

1	2	3	4	5	6	7	8	9	10	11	12
<i>Rupree Companies :</i>											
<i>Non-Indian Managing Agents control:</i>											
Non Indian	5,354	3,228,092	37·19	24·15	27·31	57·21	11·93	12·69	170·48	4·17	166·31
Partly Indian and Partly Non-Indian . .	5,572	3,272,662	26·89	24·97	31·71	57·27	12·90	18·79	172·53	4·40	168·13
<i>Indian Managing Agents Control:</i>											
Indian	480	295,080	21·02	10·24	15·26	31·44	8·95	11·31	98·22	1·69	96·53
Partly Indian and Partly Non-Indian . .	3,532	944,540	22·12	15·95	22·04	80·56	8·07	8·15	156·89	2·76	154·13
<i>Outside Managing Agents Control :</i>											
Public Ltd., Indian	1,350	376,121	26·60	20·92	21·10	72·61	12·32	13·04	166·59	1·07	165·52
<i>Proprietary and Partnership concerns:</i>											
Indian	1,349	420,050	36·75	22·73	35·75	44·25	5·85	3·24	148·57	0·18	148·39
Average cost (weighted) for the Region .	54,983	32,432,512	29·14	20·62	24·78	58·15	11·38	14·34	158·41	3·64	154·77
1953											
<i>Sterling Companies : (Controlled by Managing Agents/Secretaries, etc.)</i>											
	36,444	23,413,929	16·85	15·54	16·95	48·53	10·83	17·66	126·36	9·28	117·08

ANNEXURE XXXVI—*contd.*

1953—oncl d

586

1	2	3	4	5	6	7	8	9	10	11	12
<i>Rupree Companies :</i>											
<i>Non-Indian Managing Agents Control :</i>											
Non-Indian . . .	5,365	3,145,730	17.26	14.55	18.02	45.61	10.58	13.09	119.11	9.51	109.60
Partly Indian and Partly Non-Indian . . .	5,392	3,495,602	13.62	18.27	22.61	50.33	11.12	21.59	137.54	12.47	125.07
<i>Indian Managing Agents Control :</i>											
Indian . . .	488	350,813	13.92	14.49	21.52	31.26	9.79	12.81	103.79	9.07	94.72
Partly Indian and Partly Non-Indian . . .	3,532	914,895	8.81	12.93	15.48	59.27	9.65	12.27	118.41	6.01	112.40
<i>Outside Managing Agents Control :</i>											
Public Ltd., Indian	1,377	464,464	10.73	14.08	12.59	48.50	8.52	9.85	104.27	0.99	103.28
<i>Proprietary and Partnership concerns</i>											
Indian . . .	1,356	480,084	15.85	14.61	21.32	26.52	6.50	2.17	86.97	0.15	86.82
<i>Average cost (weighted) for the Region .</i>											
	53,854	32,265,517	16.18	15.61	17.55	47.92	10.70	17.09	125.05	9.30	115.75

ANNEXURE XXXVI—contd.

1950

Region: Dooars & Terai

1	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies :</i>											
(Controlled by Managing Agents/Secretaries etc.)	69,914	72,124,399	18.50	18.97	22.53	32.67	11.86	10.38	114.91	4.92	109.99
<i>Rupree Companies :</i>											
<i>Non-Indian Managing Agents Control :</i>											
Non-Indian	12,908	16,665,335	16.58	16.37	18.42	48.46	11.65	14.38	125.86	9.54	116.32
Partly Indian and Partly Non-Indian	16,541	19,400,946	14.68	15.19	20.31	45.23	12.87	13.96	122.24	12.14	110.10
<i>Indian Managing Agents Control :</i>											
Indian	9,159	9,844,105	13.56	15.14	18.80	39.58	11.29	10.63	109.00	5.17	103.83
Partly Indian and Partly Non-Indian	3,857	4,108,286	15.04	11.42	19.25	55.22	10.07	11.03	122.03	8.81	113.22
<i>Outside Managing Agents Control :</i>											
Public Ltd., Indian	23,334	22,817,743	13.81	16.78	24.77	30.41	10.84	10.72	107.33	2.00	105.33
Private Ltd., Indian	586	396,655	21.84	19.67	39.02	35.31	10.27	7.18	133.29	0.68	132.61

ANNEXURE XXXVI—*contd.*

1950—*concl'd.*

1	2	3	4	5	6	7	8	9	10	11	12
<i>Proprietary and Partnership concerns:</i>											
Indian . . .	4,148	3,767,616	17.82	16.03	22.42	29.77	8.61	8.68	103.33	0.42	102.91
Non-Indian . .	831	514,968	13.88	20.78	15.46	31.27	8.95	25.92	116.26	8.42	107.84
Average cost (weighted) for the Region .	1,41,278	149,640,053	16.63	17.33	21.77	36.65	11.63	11.38	115.39	5.94	109.45

1951

Sterling Companies :

(Controlled by Managing Agents/Secretaries, etc.)

	72,815	67,940,311	22.22	20.06	26.56	36.43	12.51	20.36	138.14	3.01	135.13
--	--------	------------	-------	-------	-------	-------	-------	-------	--------	------	--------

Rupree Companies : Non-Indian Managing Agents Control :

Non-Indian . .	12,938	16,801,606	20.28	17.66	20.55	52.49	10.77	14.68	136.43	7.66	128.77
----------------	--------	------------	-------	-------	-------	-------	-------	-------	--------	------	--------

Partly Indian and Partly Non-Indian . .

	16,602	18,127,333	18.66	17.83	24.51	46.05	13.50	25.11	145.66	6.09	139.57
--	--------	------------	-------	-------	-------	-------	-------	-------	--------	------	--------

Indian Managing Agents Control :

Indian . . .	9,254	9,897,143	16.07	16.16	21.02	36.19	11.85	10.50	111.79	2.31	109.48
--------------	-------	-----------	-------	-------	-------	-------	-------	-------	--------	------	--------

ANNEXURE XXXVI—*contd.*

1951

1	2	3	4	5	6	7	8	9	10	11	12
Partly Indian and Partly Non-Indian . . .	3,857	4,296,234	14.41	13.14	21.63	60.69	9.47	12.69	132.03	5.82	126.21
<i>Outside Managing Agents Control :</i>											
Public Ltd., Indian	23,474	22,587,539	17.45	18.03	30.13	35.58	11.35	10.75	123.29	1.49	121.80
Private Ltd., Indian	596	379,546	26.90	18.69	37.16	37.21	6.15	7.78	133.89	0.21	133.68
<i>Proprietary and Partnership concerns :</i>											
Indian . . .	4,111	3,954,551	18.16	15.48	25.35	30.21	7.30	8.16	104.66	0.68	103.98
Non-Indian . . .	823	519,856	13.22	19.86	14.38	32.39	9.89	28.73	118.47	8.42	110.05

Average cost (weighted) for the Region

1,44,470	144,504,119	20.03	18.60	25.57	39.89	11.95	17.55	133.59	3.68	129.91
----------	-------------	-------	-------	-------	-------	-------	-------	--------	------	--------

1952

<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>	72,970	63,447,755	24.28	22.50	31.71	41.27	12.97	18.31	151.04	2.77	148.27
<i>Rupree Companies : Non-Indian Managing Agents Control :</i>											
Non-Indian . . .	13,106	15,897,185	21.11	19.67	22.69	53.77	11.98	12.45	141.67	4.10	137.57
Partly Indian and Partly Non-Indian . . .	16,629	16,907,057	18.86	19.37	29.09	51.02	13.83	22.04	154.21	5.08	149.13

ANNEXURE XXXVI—contd.

1952 Concl'd.

1	2	3	4	5	6	7	8	9	10	11	12
<i>Indian Managing Agents</i>											
<i>Control :</i>											
Indian . . .	9,329	8,733,983	15.67	17.80	22.53	38.23	10.40	8.07	112.70	1.35	111.35
Partly Indian and Partly Non-Indian . .	3,868	4,023,571	16.07	14.54	23.88	65.11	10.53	10.25	140.32	3.20	137.18
<i>Outside Managing Agents</i>											
<i>Control :</i>											
Public Ltd. Indian	23,584	18,359,068	18.77	20.41	30.25	37.47	11.22	9.08	127.20	0.54	126.66
Private Ltd., Indian	523	327,997	23.43	21.74	46.44	39.57	5.88	6.23	143.29	..	143.29
<i>Proprietary and Partnership concerns :</i>											
Indian . . .	4,215	3,403,518	16.35	16.42	28.30	29.69	7.32	6.68	104.76	0.24	104.52
Non-Indian . .	823	495,689	13.45	19.25	19.15	29.52	8.09	27.49	115.95	1.63	114.32
<i>Average cost (weighted) for the Region .</i>											
	1,45,047	131,595,823	21.36	20.74	29.12	43.68	12.29	15.57	142.76	2.76	140.00

ANNEXURE XXXVI—*contd.*
1953—*contd.*

1	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)	72,303	65,924,859	17'27	18'03	24'35	39'53	12'10	19'81	131'09	7'50	123'59
<i>Rupree Companies: Non-Indian Managing Agents control:</i>											
Non-Indian . . .	13,163	11,519,790	13'68	17'89	18'62	56'21	10'72	15'13	132'25	11'54	120'71
Partly Indian and Partly Non-Indian . . .	16,696	17,271,203	13'30	17'49	22'84	51'67	13'39	26'84	145'53	12'36	133'17
<i>Indian Managing Agents Control:</i>											
Indian . . .	9,366	9,777,886	13'76	16'43	19'67	37'96	10'51	13'01	111'34	6'80	104'54
Partly Indian and Partly Non-Indian . . .	3,870	3,920,120	10'30	13'43	20'67	60'13	10'22	13'52	128'27	10'83	117'44
<i>Outside Managing Agents Control:</i>											
Public Ltd. Indian	23,694	21,777,292	11'16	17'02	22'96	30'71	10'20	11'65	103'70	2'39	101'31
Private Ltd. Indian	523	346,100	24'46	17'18	40'06	33'56	4'67	6'04	125'97	1'15	124'82
<i>Proprietary and Partnership concerns:</i>											
Indian . . .	4,409	3,874,809	15'46	13'29	22'03	30'73	6'18	9'93	97'62	0'68	96'94
Non-Indian . . .	823	473,586	10'86	17'39	19'08	34'31	9'37	28'16	119'17	10'61	108'56
Average cost (weighted) for the Region .	1,44,847	138,985,645	14'92	17'40	22'82	41'78	11'44	17'93	126'29	7'60	118'69

ANNEXURE XXXVI—*contd.*

1950

REGION :—Darjeeling

1	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)	13,872	6,245,879	35'21	33'34	21'42	72'41	13'63	11'89	187'90	6'82	181'08
<i>Rupree Companies : Non-Indian Managing Agents Control :</i>											
Non-Indian . .	8,885	4,339,833	33'21	17'98	18'52	65'09	13'70	19'60	168'10	7'28	160'82
Partly Indian and Partly Non-Indian . .	2,542	1,030,979	33'90	37'01	29'02	65'72	15'18	16'56	197'39	9'11	188'28
<i>Indian Managing Agents Control :</i>											
Indian . . .	722	174,049	20'14	16'84	27'12	124'65	12'85	16'08	217'68	5'71	211'97
Partly Indian and Partly Non-Indian . .	1,578	665,636	44'72	30'78	24'71	109'12	13'44	15'59	238'36	7'82	230'54
<i>Outside Managing Agents Control :</i>											
Private Ltd. Non-Indian . .	345	134,206	19'30	20'96	49'58	69'92	13'99	22'67	196'42	..	196'42
<i>Proprietary and Partnership concerns:</i>											
Indian . . .	1,165	318,168	38'23	14'98	48'27	41'74	11'01	15'78	170'01	0'20	169'81

ANNEXURE XXXVI—contd.
1950—contd

1	2	3	4	5	6	7	8	9	10	11	12
Average cost (weighted) for the Region .	29,109	12,9,08,750	34'63	27'53	22'25	71'23	13'70	15'31	184'65	6'96	177'69
1951											
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries etc.)	13,868	6,137,856	42'62	36'49	26'35	73'85	15'07	13'99	208'37	4'35	204'02
<i>Rupree Companies :</i>											
<i>Non-Indian Managing Agents Control:</i>											
Non-Indian . . .	8,905	4,333,229	37'96	16'89	24'42	63'17	13'78	22'34	178'56	3'05	175'51
Partly Indian and Partly Non-Indian . .	2,542	949,452	33'60	41'57	32'97	70'05	17'95	18'73	214'87	5'58	209'29
<i>Indian Managing Agents Control:</i>											
Indian . . .	722	1,76,079	19'43	17'36	40'34	142'28	16'73	12'74	248'88	5'96	242'92
Partly Indian and Partly Non-Indian . .	1,578	761,158	36'03	28'99	23'15	77'62	12'03	24'66	202'48	5'28	197'20
<i>Outside Managing Agents Control :</i>											
Private Ltd. Non-Indian . . .	345	136,920	16'29	25'26	37'13	55'09	13'84	20'61	168'22	..	168'22
<i>Proprietary and Partnership concerns</i>											
Indian . . .	1,165	252,692	38'31	18'22	54'93	53'67	15'13	21'34	201'60	1'54	200'06
Average cost (weighted) for the Region .	29,125	12,747,386	39'29	29'01	26'87	70'03	14'67	18'02	197'89	3'98	193'91

ANNEXURE XXXVI—contd.

1952

1	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies (Controlled by Managing Agents Secretaries etc.)</i>	13,852	5,751,492	45'20	41'09	28'49	78'75	15'78	14'08	223'39	4'00	219'39
<i>Rupree Companies: Non-Indian Managing Agents Control:</i>											
Non-Indian . .	9,154	3,972,242	37'82	23'73	26'09	70'78	13'45	14'82	186'69	2'56	184'13
Partly Indian and Partly Non-Indian . .	2,535	931,777	35'55	43'93	40'39	77'67	12'01	15'22	224'77	6'37	218'40
<i>Indian Managing Agents Control:</i>											
Indian . . .	717	1,72,856	25'59	20'71	33'10	121'93	13'62	12'93	227'88	4'17	223'71
Partly Indian and Partly Non-Indian . .	1,578	724,536	33'99	30'63	28'93	96'25	12'42	17'23	219'45	5'75	215'70
<i>Outside Managing Agents Control:</i>											
Private Ltd. Non-Indian . . .	345	143,616	14'30	18'13	30'30	47'12	13'07	19'99	142'91	..	142'91

ANNEXURE XXXVI—*contd.*
1952—*concl.*

	1	2	3	4	5	6	7	8	9	10	11	12
<i>Proprietary and Partnership concerns:</i>												
Indian . . .		1,183	174,861	48·57	23·48	36·95	58·27	10·68	17·95	195·90	3·93	191·97
Average cost (weighted) for the Region		29,364	11,871,370	40·67	34·05	28·86	77·01	14·36	14·72	209·67	3·77	205·90
1953												
<i>String Companies (Controlled by Managing Agents/ Secretaries, etc.)</i>												
<i>Rupree Companies:</i>												
<i>Non-Indian Managing Agents Control:</i>												
Non-Indian . . .		8,914	3,882,207	31·37	25·75	22·51	68·96	7·64	18·20	174·43	7·77	166·66
Partly Indian and Partly Non-Indian . . .		2,535	811,554	31·51	40·30	33·71	95·38	9·23	17·27	227·40	10·82	216·58
<i>Indian Managing Agents Control:</i>												
Indian . . .		721	153,672	16·79	28·12	37·91	79·71	12·55	18·50	193·58	5·01	188·57
Partly Indian and Partly Non-Indian . . .		1,578	659,943	20·92	32·18	25·29	95·91	12·57	16·06	208·93	10·95	197·98
<i>Outside Managing Agents Control:</i>												
Private Ltd. Non-Indian . . .		345	126,116	12·04	20·47	33·91	55·90	11·41	19·71	153·44	..	153·44
<i>Proprietary and Partnership concerns:</i>												
Indian . . .		1,185	100,640	20·78	23·90	44·57	63·83	13·62	17·56	190·26	10·60	179·66
Average cost (weighted) for the Region . . .		29,139	11,115,302	30·70	32·25	24·30	80·19	10·94	17·44	195·82	8·28	187·54

ANNEXURE XXXVI—contd.

1950

Region :—Bihar.

I	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>	1,218	160,240	35.61	19.43	23.28	70.37	17.74	—2.87	163.56	18.66	144.50
<i>Indian Managing Agents</i>											
Control : Indian . . . :	832	487,269	6.43	8.89	9.03	38.00	0.24	..	62.61	8.54	54.07
<i>Outside Managing Agents</i>											
Control : Public Ltd. Indian	1,458	1,570,295	9.70	16.10	24.58	35.01	10.46	9.98	105.83	3.02	102.81
Average cost (weighted) for the Region .	3,508	2,217,831	10.49	14.27	20.07	38.21	8.04	6.29	97.37	5.63	91.74
1951											
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>	1,218	221,220	41.58	18.81	18.28	60.95	13.58	4.35	157.55	12.14	145.41
<i>Indian Managing Agents</i>											
Control : Indian	832	719,684	6.11	8.83	6.04	43.25	0.22	..	64.45	6.83	57.62
<i>Outside Managing Agents</i>											
Control : Public Ltd. Indian	1,464	1,466,154	16.94	19.14	31.33	39.57	10.58	8.16	125.72	1.96	123.76
Average cost (weighted) for the Region .	3,514	2,407,038	15.97	16.03	22.57	42.63	7.76	5.37	110.33	4.35	105.98

ANNEXURE XXXVI—contd.

1952

	1	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>												
<i>Indian Managing Agents Control :</i>												
Indian • • •		872	712,052	7'46	8'64	6'42	45'35	7'22	7'36	82'45	4'02	78'43
<i>Outside Managing Agents Control :</i>												
Public Ltd. Indian		1,481	1,263,581	17'90	22'81	32'39	39'90	8'83	7'02	128'85	1'44	127'41
Average cost (weighted) for the Region.		3,551	2,181,073	17'72	17'86	22'33	44'00	8'95	7'71	118'21	3'25	114'96

1953

<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>												
<i>Indian Managing Agents Control :</i>												
Indian • • •		874	656,182	9'19	9'78	1'43	34'74	8'79	7'65	71'58	..	71'58
<i>Outside Managing Agents Control :</i>												
Public Ltd. Indian		1,496	1,547,103	8'60	10'94	22'67	32'18	8'82	10'78	99'99	4'22	95'77
Average cost (weighted) for the Region		3,588	2,405,925	12'43	15'24	16'40	35'51	8'21	9'39	97'18	3'63	93'55

ANNEXURE XXXVI—contd.

1950

REGION :—Tripura.

1	2	3	4	5	6	7	8	9	10	11	12
<i>Indian Managing Agents Control :</i>											
Indian . . .	835	855,533	16·82	5·82	17·17	38·13	8·81	21·21	107·96	7·38	100·58
<i>Outside Managing Agents Control :</i>											
Public Ltd., Indian	489	123,002	35·87	6·23	25·57	83·81	31·66	35·20	218·34	3·50	214·84
Average cost (weighted) for the Region	1,324	978,535	19·21	5·87	18·24	44·12	11·68	22·97	122·09	6·89	115·20

1951

<i>Indian Managing Agents Control :</i>											
Indian . . .	847	884,500	20·06	7·02	17·77	40·70	8·59	20·41	114·55	5·98	108·57
<i>Outside Managing Agents Control :</i>											
Public Ltd., Indian	489	204,245	18·26	4·98	8·26	54·29	9·78	17·79	113·36	..	113·36
Average cost (weighted) for the Region	1,336	1,088,845	18·73	6·63	15·99	43·24	8·82	19·92	113·33	4·86	108·47

ANNEXURE XXXVI—*contd.*

1952

1	2	3	4	5	6	7	8	9	10	11	12
<i>Indian Managing Agents</i>											
Control :											
Indian . . .	1,027	777,761	20.61	8.07	18.96	41.86	9.26	20.38	119.14	4.85	114.29
<i>Outside Managing Agents</i>											
Control :											
Public Ltd., Indian	489	150,225	20.11	6.12	15.39	51.19	7.75	15.56	116.12	..	116.12
<hr/>											
Average cost (weighted) for the Region .	1,516	927,986	20.52	7.76	18.38	43.36	9.02	19.59	118.63	4.07	114.56

549

1953

<i>Indian Managing Agents</i>											
Control :											
Indian . . .	1,041	876,350	11.25	7.21	16.61	42.81	7.37	19.93	105.18	10.89	94.29
<i>Outside Managing Agents</i>											
Control :											
Public Ltd., Indian	489	175,306	15.73	6.48	16.14	42.09	9.84	15.42	105.70	7.75	97.95
<hr/>											
Average cost (weighted) for the Region .	1,530	1,051,656	12.00	7.09	16.53	42.69	7.78	19.18	105.27	10.37	94.90

ANNEXURE XXXVI—contd.

Region :—North India.

1950

1	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)	306,664	282,401,184	21·93	18·37	19·98	45·78	11·66	9·20	126·92	6·08	120·84
<i>Rupree Companies:</i> <i>Non-Indian Managing Agents: Control:</i>											
Non-Indian . . .	40,758	36,090,701	20·50	15·91	17·99	51·82	11·57	13·35	131·14	8·84	122·30
Partly Indian and Partly Non-Indian . . .	46,160	44,221,356	16·84	15·31	18·91	49·54	12·28	13·52	126·40	10·22	116·18
<i>Indian Managing Agents Control:</i>											
Indian . . .	12,639	12,547,901	13·63	13·97	18·20	40·26	10·59	10·91	107·56	5·88	101·68
Partly Indian and Partly Non-Indian . . .	13,558	11,038,157	19·05	13·84	20·90	62·91	10·47	12·45	139·62	8·36	131·26
<i>Outside Managing Agents Control:</i>											
Public Ltd. Indian	32,000	30,066,704	14·13	16·05	23·70	32·37	10·83	11·05	108·13	2·29	105·84
Private Ltd. Indian	3,984	2,872,570	18·17	14·18	21·16	32·70	9·50	11·20	160·91	1·22	105·69
Private Ltd. Non-Indian . . .	345	134,206	19·30	20·96	49·58	69·92	13·99	22·67	196·42	..	196·42

ANNEXURE XXXVI—*contd.*
1950—*concl'd.*

1	2	3	4	5	6	7	8	9	10	11	12
<i>Proprietary and Partnership Concerns:</i>											
Indian . . .	10,401	7,588,400	30'20	14'17	26'67	31'26	8'19	9'07	119'56	0'46	119'10
Non-Indian . . .	2,598	1,905,194	28'28	21'42	14'18	31'48	10'45	17'08	122'89	4'95	117'94
Average cost (weighted) for the Region .	469,107	428,866,373	20'57	17'35	20'05	45'61	11'51	10'31	125'40	6'39	119'01
1951											
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>											
309,869	296,709,265	24'17	19'18	21'80	48'26	11'36	14'76	139'53	4'34	135'19	
<i>Rupree Companies: Non-Indian Managing Agents Control:</i>											
Non-Indian . . .	40,872	36,317,165	24'06	17'53	21'19	54'25	11'06	17'16	145'25	4'94	140'31
Partly Indian and Partly Non-Indian .	46,362	43,011,930	19'98	17'47	21'75	50'54	12'81	22'73	145'28	6'30	138'98
<i>Indian Managing Agents Control:</i>											
Indian . . .	13,281	13,114,162	16'72	14'84	20'55	39'25	10'87	10'83	113'06	3'19	109'87
Partly Indian and Partly Non-Indian .	13,599	11,026,288	19'75	16'24	21'06	64'70	10'56	14'85	147'16	6'00	141'16
<i>Outside Managing Agents Control:</i>											
Public Ltd. Indian	32,124	29,902,161	7'94	17'64	28'81	37'50	11'07	10'89	123'85	1'66	122'19

ANNEXURE XXXVI—contd.
1951—concl.

552

1	2	3	4	5	6	7	8	9	10	11	12
Private Ltd. Indian	4,842	3,576,772	21.70	13.83	22.46	36.40	8.95	14.11	117.45	0.65	116.80
Private Ltd. Non-Indian	345	136,920	16.29	25.26	37.13	55.09	13.84	20.61	168.22	—	168.22
<i>Proprietary and Partnership Concerns:</i>											
Indian	10,253	8,013,431	31.67	14.36	29.16	32.57	7.72	9.76	125.24	0.73	124.51
Non-Indian	2,590	2,238,852	27.20	21.75	13.39	27.55	11.91	21.92	123.72	3.47	120.25
Average cost (weighted) for the Region	474,137	414,946,947	23.13	18.46	22.27	47.89	11.35	15.29	138.39	4.30	134.09
1952											
Sterling Companies (Controlled by Managing Agents/ Secretaries, etc.)	310,589	288,726,399	25.81	21.68	25.44	50.75	12.44	15.15	151.27	3.74	147.53
Rupree Companies: Non-Indian Managing Agents Control:	40,953	35,408,684	24.88	20.33	23.53	55.27	11.95	14.79	150.75	4.81	145.94

ANNEXURE XXXVI—*contd.*
1952—*concl.*

1	2	3	4	5	6	7	8	9	10	11	12
Partly Indian and Partly Non-Indian .	46,524	41,940,344	20'69	19'04	25'35	56'76	12'59	20'64	155'07	6'36	148'71
<i>Indian Managing Agents Control :</i>											
Indian . . .	13,633	11,881,146	16'77	16'33	22'13	40'02	10'20	9'35	114'80	2'06	112'74
Partly Indian and Partly Non-Indian .	13,654	11,440,210	19'68	16'82	22'73	63'95	10'27	12'81	146'26	4'09	142'17
<i>Outside Managing Agents Control :</i>											
Public Ltd. Indian	32,353	24,819,131	18'69	20'02	29'35	39'13	10'92	9'61	127'72	0'79	126'93
Private Ltd. Indian .	4,814	3,182,685	23'86	18'25	26'55	39'86	9'00	12'62	130'14	0'27	199'87
Private Ltd. Non-In- dian . . .	345	143,616	14'30	18'13	30'30	47'12	13'07	19'99	142'91	..	142'91
<i>Proprietary and Partnership Concerns :</i>											
Indian . . .	10,372	7,684,148	28'94	15'68	29'12	30'87	7'36	8'73	120'70	0'58	130'12
Non-Indian . . .	2,590	1,966,207	29'05	23'01	17'19	28'46	11'13	21'37	130'21	1'29	128'92
Average cost (weight- ed) for the Region .	475,827	427,192,570	24'46	20'80	25'37	50'56	12'08	15'01	148'28	3'78	144'50
1953											
<i>Sterling Companies (Con- trolled by Managing Agents/ Secretaries, etc.) . . .</i>	310,136	277,123,700	22'12	20'22	22'67	51'22	11'65	17'55	145'43	7'53	137'90

ANNEXURE XXXVI—*concl.*
1953—*concl.*

1	2	3	4	5	6	7	8	9	10	11	12
<i>Rupree Companies :</i>											
<i>Non-Indian Managing Agents Control :</i>											
Non-Indian . . .	40,828	34,069,920	18.15	19.03	19.46	56.33	10.61	17.48	141.06	11.37	129.69
Partly Indian and Partly Non-Indian .	46,413	41,327,607	16.29	17.92	20.90	55.44	12.12	23.56	146.23	11.33	134.90
<i>Indian Managing Agents Control :</i>											
Indian . . .	13,756	13,018,772	14.48	15.48	20.11	39.80	9.94	13.33	113.14	6.86	106.28
Partly Indian and Partly Non-Indian .	13,701	10,793,719	16.21	16.62	19.63	62.71	10.27	15.05	141.49	10.00	131.49
<i>Outside Managing Agents Control :</i>											
Public Ltd., Indian . . .	32,563	28,861,908	11.18	16.58	22.49	32.24	10.16	12.19	104.84	2.77	102.07
Private Ltd., Indian . . .	4,861	3,689,890	16.43	16.17	19.84	30.03	7.95	13.91	104.33	1.52	102.81
Private Ltd., Non-Indian . . .	345	126,116	12.04	20.47	33.91	55.90	11.41	19.71	153.44	..	153.44
<i>Proprietary and Partnership Concerns :</i>											
Indian . . .	10,751	8,064,662	26.67	13.92	24.18	30.79	6.71	10.80	113.07	0.97	112.10
Non-Indian . . .	2,590	1,839,380	32.27	22.23	16.77	34.19	11.82	26.45	143.73	5.34	138.39
Average cost (weighted) for the Region .	475,944	418,915,674	20.15	19.26	22.05	50.03	11.30	17.46	140.25	7.74	131.51

ANNEXURE XXXVI—*contd.*

1950 .

REGION :—Malabar Wynaad & Nilgiri Wynaad.

	1	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)		16,796	8,915,809	31.34	23.23	12.54	48.79	9.36	4.82	130.08	1.11	128.97
<i>Rupree Companies :</i> <i>Non-Indian Managing Agents Control :</i>												
Partly Indian and Partly Non-Indian .		2,782	1,110,684	28.25	25.57	13.12	69.11	10.74	5.25	152.04	6.28	145.76
Indian . . .		393	148,715	26.78	29.94	15.07	54.89	9.27	3.13	139.08	4.03	135.05
<i>Indian Managing Agents Control :</i>												
Indian . . .		795	468,537	19.41	20.34	21.68	64.09	10.37	4.83	140.72	8.82	131.90
<i>Outside Managing Agents Control :</i>												
Private Limited Non-Indian . . .		3,274	1,981,377	23.55	23.14	9.01	70.18	9.77	3.91	139.56	..	139.56
Average cost (weighted) for the Region .		24,040	12,625,122	29.35	23.40	12.38	54.57	9.59	4.71	134.00	1.71	132.29

ANNEXURE XXXVI—contd.

1951

1	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>	16,842	11,836,010	28.33	22.16	10.26	40.56	9.68	4.79	115.78	0.94	114.84
<i>Rupree Companies :</i>											
<i>Non-Indian Managing Agents Control :</i>											
Partly Indian and Partly Non-Indian	2,797	1,596,818	23.75	22.60	12.84	55.06	11.65	4.50	130.40	6.41	123.99
Indian	393	183,440	34.60	29.45	14.56	52.23	6.60	2.93	140.37	3.27	137.10
<i>Indian Managing Agents Control :</i>											
Indian	825	522,859	18.32	21.20	22.04	64.13	12.00	5.45	143.14	8.01	135.13
<i>Outside Managing Agents Control :</i>											
Private Ltd., Non-Indian	3,264	2,050,255	28.39	22.46	10.92	74.28	9.35	3.16	148.56	--	148.56
Average cost (weighted) for the Region	24,121	16,189,382	27.63	22.29	11.08	47.15	9.87	4.55	122.57	1.61	120.96

ANNEXURE XXXVI—*contd.*

1952

I	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>	16,951	10,963,166	35.82	24.18	11.86	45.20	11.03	5.23	133.32	1.32	132.00
<i>Rupree Companies :</i>											
<i>Non-Indian Managing Agents Control :</i>											
Partly Indian and Partly Non-Indian	2,797	1,232,771	43.00	32.15	15.43	63.97	13.59	5.39	173.53	2.45	172.08
Indian	393	154,600	24.88	28.95	16.02	51.83	3.10	0.04	124.82	3.88	120.94
<i>Indian Managing Agents Control :</i>											
Indian	854	493,903	19.19	22.73	25.14	69.96	10.18	4.23	151.43	8.18	143.25
<i>Outside Managing Agents Control :</i>											
Private Ltd., Non-Indian	3,274	1,952,159	30.94	24.12	9.58	75.67	8.58	5.07	153.96	..	153.96
Average cost (weighted) for the Region	24,269	14,795,599	35.11	24.84	12.34	51.68	10.80	5.13	139.90	1.51	138.39

ANNEXURE XXXVI—Contd.

1953

	1	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>		17,123	13,619,451	28,92	22,70	10,51	41,59	4,04	8,14	115,90	1,01	114,89
<i>Rupce Companies :</i>												
<i>Non-Indian Managing Agents Control :</i>												
Partly Indian and Partly Non-Indian	2,833		1,680,264	34,87	29,46	10,35	47,25	11,65	4,81	138,39	4,81	133,58
Indian	393		194,934	16,86	26,41	17,73	49,98	2,03	0,84	113,85	3,08	110,77
<i>Indian Managing Agents Control :</i>												
Indian	869		434,327	23,31	21,75	18,22	70,29	8,97	5,54	148,08	7,08	141,00
<i>Outside Managing Agents Control :</i>												
Public Limited, Non-Indian	3,276		2,329,171	25,90	23,01	9,80	66,45	6,53	2,67	134,36	..	134,36
Average cost (weighted) for the Region	24,494		18,258,147	28,82	23,37	10,66	46,06	5,16	7,00	121,07	1,40	119,67

ANNEXURE XXXVI—*contd.*

REGION :— Madras.

1950

1	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>	17,567	13,112,736	21.82	24.30	10.00	49.76	10.16	4.35	120.39	5.03	115.36
<i>Rupree Companies :</i>											
<i>Non-Indian Managing Agents Control :</i>											
Partly Indian and Partly Non-Indian .	11,959	9,639,508	24.90	23.30	10.68	46.92	9.71	11.22	126.73	8.30	118.43
<i>Indian Managing Agents Control :</i>											
Indian	1,954	1,293,244	20.26	15.56	11.38	49.44	6.99	12.31	115.94	3.20	112.74
<i>Outside Managing Agents Control :</i>											
Private Ltd., Indian .	267	118,951	45.19	12.57	10.02	53.29	12.70	10.72	144.49	..	144.49
Public Ltd., Non-Indian	443	301,501	27.13	22.78	14.73	45.41	9.57	4.68	124.30	3.60	120.70
<i>Proprietary and Partnership Concerns :</i>											
Indian	149	36,370	95.25	18.18	41.05	14.75	12.66	11.34	193.23	6.69	186.54
Non-Indian	1,820	1,175,345	29.95	26.24	13.95	44.21	9.39	4.91	128.65	2.11	126.54
Average cost (weighted) for the Region .	34,159	25,677,655	23.30	23.25	10.50	47.85	8.71	7.32	121.93	5.94	115.99

ANNEXURE XXXVI—*contd.* 1951

560

1	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>	17,922	15,838,540	21.13	23.07	10.08	44.44	10.68	4.65	114.05	4.44	109.61
<i>Rupree Companies :</i>											
<i>Non-Indian Managing Agents Control :</i>											
Partly Indian and Partly Non-Indian	12,541	11,370,742	23.91	22.31	11.21	46.75	10.37	13.82	128.37	9.54	118.83
<i>Indian Managing Agents Control :</i>											
Indian	1,982	1,494,952	17.66	15.42	10.46	41.18	6.90	12.72	104.34	2.28	102.06
<i>Outside Managing Agents Control :</i>											
Private Ltd., Indian	267	126,647	53.33	12.73	10.02	55.28	13.87	7.62	152.85	..	152.85
Public Ltd., Non-Indian	443	296,263	2.868	25.19	13.55	39.88	15.84	7.91	131.23	2.44	128.79
<i>Proprietary and Partnership Concerns :</i>											
Indian	149	38,001	91.80	19.42	59.50	11.11	15.86	11.65	209.34	7.19	202.15
Non-Indian	1,828	1,467,240	25.28	27.37	13.38	36.36	9.60	4.72	116.71	1.67	115.04
Average cst (weighted) for the Region	35,132	30,632,325	24.26	22.37	10.68	45.26	10.29	8.42	119.28	6.00	113.28

ANNEXURE XXXVI—contd. 1952

1	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies (Controlled by Managing Agents / Secretaries, etc.)</i>	18,113	15,974,755	24.31	23.93	12.22	44.88	10.60 *	4.79	120.73	2.62	118.11
<i>Rupree Companies : Non-Indian Managing Agents Control :</i>											
Partly Indian and Partly Non-Indian	13,108	11,351,302	23.18	19.46	10.49	40.96	9.04	9.84	112.97	7.57	105.40
<i>Indian Managing Agents Control :</i>											
Indian	2,013	1,453,051	18.85	16.36	12.61	45.34	8.08	17.36	118.60	2.22	116.38
<i>Outside Managing Agents Control :</i>											
Private Ltd., Indian	267	118,520	43.21	16.40	16.63	63.15	11.73	8.74	159.86	..	159.86
Public Ltd., Non-Indian	443	365,550	26.28	25.49	10.46	38.74	14.42	7.67	123.06	2.78	120.28
<i>Proprietary and Partnership Concerns :</i>											
Indian	412	240,730	44.63	24.96	23.63	25.07	11.84	4.93	135.06	1.59	133.47
Non-Indian	1,841	1,325,811	28.86	29.75	13.37	48.32	10.70	5.02	136.02	3.63	132.39
Average cost (weighted) for the Region.	36,197	30,829,719	25.49	23.33	12.36	45.92	10.52	7.92	125.54	4.79	120.75

ANNEXURE XXXVI—contd.

1953

1	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies (Controlled by Managing Agents / Secretaries, etc.)</i>	18,195	18,274,912	21.83	23.79	11.34	47.93	9.15	8.02	122.06	4.03	118.03
<i>Rupree Companies :</i>											
<i>Non-Indian Managing Agents Control :</i>											
<i>Partly Indian and Partly Non-Indian</i>	13,277	12,581,577	24.78	23.37	11.82	51.23	9.45	11.47	132.12	8.65	123.47
<i>Indian Managing Agents Control :</i>											
<i>Indian</i>	2,052	1,588,825	20.73	17.80	11.25	40.40	7.42	14.93	112.53	3.27	109.26
<i>Outside Managing Agents Control :</i>											
<i>Private Ltd., Indian</i>	267	129,410	27.65	21.91	15.56	61.77	11.96	10.86	149.71	..	149.71
<i>Public Ltd., Non-Indian</i>	443	336,980	26.50	26.94	10.69	44.11	12.91	9.34	130.49	..	130.49
<i>Proprietary and Partnership Concerns :</i>											
<i>Indian</i>	412	271,097	46.40	28.32	28.05	22.77	15.82	5.06	146.42	1.44	144.98
<i>Non-Indian</i>	1,858	1,651,170	28.46	27.73	13.57	37.31	11.65	5.30	124.02	2.12	121.90
<i>Average cost (weighted) for the Region</i>	36,504	34,833,971	23.16	23.36	11.64	47.62	9.31	9.36	124.48	5.45	119.03

ANNEXURE XXXVI—contd.

1950

REGION:—T. C. State.

1	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)	51,467	32,095,095	24.60	22.65	11.68	41.96	9.15	4.19	114.23	5.74	108.49
<i>Rupree Companies : Non-Indian Managing Agents Control :</i>											
Non-Indian . . .	471	263,047	28.82	17.76	13.13	52.35	9.78	1.17	123.01	3.69	119.32
Partly Indian and Partly Non-Indian .	4,048	3,281,345	12.53	12.99	7.79	51.09	9.35	4.01	97.76	5.80	91.96
<i>Indian Managing Agents Control :</i>											
Indian	3,999	2,892,136	35.13	20.14	8.54	25.27	8.38	2.54	100.00	2.90	97.10
<i>Outside Managing Agents Control :</i>											
Public Ltd., Indian	260	227,748	18.75	20.85	11.18	32.47	8.17	6.41	97.83	7.39	90.44
<i>Proprietary and Partnership Concerns :</i>											
Indian	1,023	431,838	39.45	9.65	22.82	33.59	8.74	4.99	119.24	1.16	118.08
Non-Indian . . . .	..	229,959	7.71	9.24	8.02	19.38	..	..	44.35	..	44.35
Average cost (weighted) for the Region .	61,268	39,421,169	24.42	21.40	11.24	41.28	9.05	4.03	111.42	5.45	105.97

ANNEXURE XXXVI—*contd.*

1951

I	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)	51,495	38,133,317	22.30	21.01	10.99	41.57	9.37	4.78	110.02	5.35	104.67
<i>Rubee Companies :</i>											
<i>Non-Indian Managing Agents Control :</i>											
Non-Indian . . .	471	309,073	30.80	18.45	14.47	57.94	10.23	4.99	136.88	4.40	132.48
Partly Indian and Partly Non-Indian .	4,048	3,648,651	14.09	13.23	8.73	52.15	9.60	7.79	105.59	6.38	99.21
<i>Indian Managing Agents Control :</i>											
Indian	4,011	3,072,113	33.79	19.47	9.22	30.29	8.28	2.85	103.90	3.60	100.30
<i>Outside Managing Agents Control :</i>											
Public Ltd., Indian .	300	228,472	27.79	23.50	12.87	33.20	10.15	8.53	116.04	4.77	111.27
<i>Proprietary and Partnership Concerns :</i>											
Indian	1,074	560,992	36.88	11.28	26.54	34.11	9.52	5.90	124.23	1.66	122.57

ANNEXURE XXXVI—contd. 1951—concl'd.

1	2	3	4	5	6	7	8	9	10	11	12
Non-Indian	..	228,734	9.43	13.28	7.75	27.21	0.12	..	57.79	..	57.79
Average cost (weighted) for the Region	61,399	46,181,412	22.61	20.13	10.90	41.56	9.28	4.90	109.38	5.24	104.14
1952											
Sterling Companies (Controlled by Managing Agents/Secretaries etc.)											
	51,545	35,603,187	28.61	22.89	13.27	38.74	9.52	4.88	117.91	2.17	115.74
Rupee Companies : Non-Indian Managing Agents Control :											
Non-Indian	471	297,195	30.50	27.37	14.52	61.33	10.80	4.75	149.27	4.89	144.38
Partly Indian and Partly Non-Indian	4,062	3,651,429	17.55	17.16	10.61	53.27	11.19	6.42	116.20	6.38	109.82
Indian Managing Agents Control :											
Indian	4,035	2,976,450	36.30	22.81	10.80	30.86	8.81	5.35	114.93	1.73	113.20
Outside Managing Agents Control :											
Public Ltd., Indian	300	204,030	18.00	27.88	15.57	38.79	8.31	5.35	114.90	4.56	110.34
Proprietary and Partnership Concerns :											
Indian	1,078	521,583	41.16	15.19	24.12	26.58	7.08	5.80	119.93	0.32	119.61
Non-Indian	..	212,820	12.75	14.13	14.50	19.22	0.12	..	60.72	..	60.72
Average cost (weighted) for the Region	61,491	43,466,684	28.24	22.32	13.04	39.34	9.52	5.04	117.50	2.31	115.19

ANNEXURE XXXVI—*contd.*

1953

566

1	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>	51,397	36,286,312	30.95	27.67	14.85	50.61	10.13	5.44	139.65	4.31	135.34
<i>Rupree Companies :</i>											
<i>Non-Indian Managing Agents Control :</i>											
Non-Indian	471	315,653	27.13	27.48	13.82	67.80	10.59	5.10	151.92	6.93	144.99
Partly Indian and Partly Non-Indian	4,062	3,728,499	22.82	25.15	12.46	38.59	10.40	8.11	117.53	4.99	112.54
<i>Indian Managing Agents Control :</i>											
Indian	4,061	3,040,926	28.20	27.63	11.07	31.69	8.37	6.43	113.39	3.31	110.08
<i>Outside Managing Agents Control :</i>											
Public Ltd., Indian	300	256,282	25.64	24.56	15.34	38.17	9.34	5.36	118.41	9.90	108.51
<i>Proprietary and Partnership Concerns :</i>											
Indian	1,079	573,702	35.47	24.45	28.07	28.81	9.86	6.30	132.96	1.73	131.23
Non-Indian	..	127,810	10.57	14.99	12.04	29.30	0.09	..	66.99	..	66.99
Average cost (weighted) for the Region	61,370	44,329,184	30.02	27.36	14.54	48.00	10.00	5.73	135.65	4.30	131.35

ANNEXURE XXXVI—contd.

1950

REGION:—Coorg.

1	2	3	4	5	6	7	8	9	10	11	12
<i>Indian Managing Agents Control :</i>											
Indian . . .	432	222,608	51.81	25.29	13.47	47.58	10.75	3.90	152.80	5.87	146.93
Average cost (weighted) for the Region .	432	222,608	51.81	25.29	13.47	47.58	10.75	3.90	152.80	5.87	146.93

567

1951

<i>Indian Managing Agents Control :</i>											
Indian . . .	432	287,175	43.50	20.85	12.71	40.85	12.51	4.31	134.73	6.04	128.69
Average cost (weighted) for the Region .	432	287,175	43.50	20.85	12.71	40.85	12.51	4.31	134.73	6.04	128.69

ANNEXURE XXXVI—contd.

1952

I	2	3	4	5	6	7	8	9	10	11	12
<i>Indian Managing Agents Control :</i>											
Indian . . .	432	261,378	55.45	25.66	13.66	37.71	9.27	6.77	148.52	4.01	144.51
Average cost (weighted) for the Region .	432	261,378	55.45	25.66	13.66	37.71	9.27	6.77	148.52	4.01	144.51

58

1953

<i>Indian Managing Agents Control :</i>											
Indian . . .	432	280,800	50.83	23.78	16.35	41.62	7.04	3.77	143.39	8.65	134.74
Average cost (weighted) for the Region .	432	280,800	50.83	23.78	16.35	41.62	7.04	3.77	143.39	8.65	134.74

ANNEXURE XXXVI—contd.

1950

Region:—Mysore

1	2	3	4	5	6	7	8	9	10	11	12
<i>Non-Indian Managing Agents Control :</i>											
Partly Indian and Partly Non-Indian .	539	214,179	18.94	25.56	17.64	46.79	12.49	2.26	123.68	8.88	114.80
<i>Indian Managing Agents Control :</i>											
Indian . . .	1,052	525,060	22.66	18.26	14.69	59.50	10.32	2.02	127.45	7.32	120.13
<i>Proprietary and Partnership Concerns :</i>											
Indian . . .	325	180,986	10.79	..	27.73	23.05	..	0.06	61.63	..	61.63
Average cost (weighted) for the Region .	1,916	920,225	19.45	16.37	17.95	49.36	8.79	1.69	113.61	6.24	107.37

1951

<i>Non-Indian Managing Agents Control :</i>											
Partly Indian and Partly Non-Indian .	539	277,000	39.74	25.41	15.92	39.65	11.13	2.00	133.85	7.76	126.09

ANNEXURE XXXVI—contd.

1951—contd.

	1	2	3	4	5	6	7	8	9	10	11	12
<i>Indian Managing Agents Control :</i>												
Indian . . .		1,053	683,749	21.66	17.74	13.10	60.04	9.28	2.61	124.43	9.05	115.38
<i>Proprietary and Partnership Concerns :</i>												
Indian . . .		330	227,263	8.54	..	29.07	25.11	..	0.07	62.79	..	62.79
Average cost (weighted) for the Region .		1,922	1,188,012	23.37	16.06	16.81	48.61	7.93	1.98	114.76	7.02	107.74

1952

Non-Indian Managing Agents Control :

Partly Indian and Partly Non-Indian .

Indian Managing Agents Control :

Indian . . .

539	289,873	37.59	23.70	14.87	36.24	13.19	3.64	129.23	5.98	123.25
1,053	664,952	25.35	18.52	15.43	58.94	10.97	3.36	132.57	6.98	123.59

ANNEXURE XXXVI—contd.
1952—concl'd.

1	2	3	4	5	6	7	8	9	10	11	12
<i>Proprietary and Partnership Concerns :</i>											
Indian . . .	334	202,990	11.46	..	35.11	28.87	..	0.06	75.50	..	75.50
Average cost (weighted) for the Region .	1,926	1,157,815	25.98	16.57	18.75	47.98	9.60	2.85	121.73	5.51	116.22
1953											
<i>Non-Indian Managing Agents Control :</i>											
Partly Indian and Partly Non-Indian .	539	312,973	43.48	26.20	15.03	38.83	17.66	2.67	143.87	5.83	138.04
<i>Indian Managing Agents Control :</i>											
Indian . . .	1,053	699,502	25.69	19.40	14.32	56.16	8.02	4.00	127.59	8.54	119.05
<i>Proprietary and Partnership Concerns :</i>											
Indian . . .	334	203,606	9.67	..	44.33	26.55	..	0.08	80.63	..	80.63
Average cost (weighted) for the Region .	1,926	1,216,081	27.58	17.89	19.53	46.75	8.90	3.00	123.65	6.42	117.23

ANNEXURE XXXVI—contd.

1950

Region :—South India.

1	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.) . . .	85,830	54,123,640	25.02	23.15	11.42	44.98	9.43	4.34	118.34	4.81	113.53
<i>Rupee Companies :</i>											
<i>Non-Indian Managing Agents Control :</i>											
Non-Indian . . .	471	263,047	28.82	17.76	13.13	52.35	17.78	1.17	123.01	3.69	119.32
Partly Indian and Partly Non-Indian .	19,328	14,245,716	22.23	21.14	10.30	49.61	9.75	8.96	121.99	7.57	114.42
Indian . . .	393	148,715	26.78	29.94	15.07	54.89	9.27	3.13	139.08	4.03	135.05
<i>Indian Managing Agents Control :</i>											
Indian . . .	8,232	5,401,585	29.68	19.09	11.16	38.67	8.51	5.08	112.19	4.03	108.16
<i>Outside Managing Agents Control :</i>											
Public Ltd. Indian .	260	227,749	18.75	20.85	11.18	32.47	8.17	6.41	97.83	7.39	90.44
Private Ltd. Indian .	267	118,951	45.19	12.57	19.02	53.29	12.70	10.72	144.49	...	144.49

ANNEXURE XXXVI—*contd.*
1953—*concl'd.*

1	2	3	4	5	6	7	8	9	10	11	12
Public Ltd. Non-Indian	443	301,501	27·13	22·78	14·73	45·41	9·57	4·68	124·30	3·60	120·70
Private Ltd. Non-Indian	3,274	1,981,377	23·55	23·14	9·01	70·18	9·77	3·91	139·56	..	139·56
<i>Proprietary and Partnership Concerns :</i>											
Indian	1,497	649,194	34·59	7·44	25·21	29·59	6·52	3·98	107·33	1·15	106·18
Non-Indian	1,820	1,405,304	26·31	23·45	13·00	40·14	7·85	4·11	114·86	1·76	113·10
Average cost (weighted) for the Region	1,21,815	78,866,779	24·86	22·28	11·26	45·67	9·36	5·19	118·62	5·03	113·59
1951											
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>	86,259	65,807,867	23·10	21·70	10·64	42·08	9·46	4·75	111·73	4·34	107·39
<i>Rupree Companies :</i>											
<i>Non-Indian Managing Agents Control :</i>											
Non-Indian	471	309,073	30·80	18·45	14·47	57·94	10·23	4·99	136·88	4·48	132·40
Partly Indian and Partly Non-Indian	19,925	16,893,211	22·03	20·43	10·92	48·58	10·33	11·45	123·74	8·53	115·21
Indian	393	183,440	34·60	29·45	14·56	52·23	6·60	2·93	140·37	3·27	137·10
<i>Indian Managing Agents Control :</i>											
Indian	8,303	6,060,848	27·57	18·49	11·24	39·75	8·58	5·55	111·18	4·39	106·79

ANNEXURE XXXVI—contd.

1951—concl'd.

374

1	2	3	4	5	6	7	8	9	10	11	12
<i>Outside Managing Agents Control :</i>											
Public Ltd. Indian .	300	228,472	27.79	23.50	12.87	33.21	10.15	8.53	116.05	4.77	111.28
Private Ltd. Indian .	267	126,647	53.33	12.73	10.02	55.28	12.87	7.62	151.85	..	151.85
Public Ltd. Non-Indian . . .	443	296,263	28.86	25.19	13.55	39.88	15.84	7.91	131.23	2.44	128.79
Private Ltd. Non-Indian . . .	3,264	2,050,255	28.39	22.46	10.92	74.28	9.35	3.16	148.56	..	148.56
<i>Proprietary and Partnership Concerns :</i>											
Indian . . .	1,553	826,256	31.61	8.55	28.76	30.58	7.19	4.56	111.25	1.46	109.79
Non-Indian . . .	1,828	1,695,974	23.14	25.45	12.64	35.13	8.32	4.09	108.77	1.44	107.33
Average cost (weighted) for the Region .	1,23,006	94,478,306	23.43	21.18	10.93	43.49	9.70	5.95	114.68	4.89	109.79

ANNEXURE XXXVI—*contd.*

1952

575

1	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>											
	86,609	62,541,108	2.78	23.38	12.75	41.44	10.06	4.92	121.33	2.14	119.19
<i>Rupree Companies :</i>											
<i>Non-Indian Managing Agents Control :</i>											
Non-Indian . .	471	297,195	30.50	27.37	14.52	61.33	10.80	4.75	149.27	4.89	144.38
Partly Indian and Partly Non-Indian .	20,506	16,525,375	26.71	22.52	12.33	50.67	11.11	9.93	133.27	7.44	125.83
Indian . . .	393	154,600	24.88	28.95	16.02	51.83	3.10	0.04	124.82	3.88	120.94
<i>Indian Managing Agents Control :</i>											
Indian . . .	8,387	5,848,734	30.13	20.84	13.12	41.25	9.01	8.08	122.42	3.09	119.33
Partly Indian and Partly Non-Indian .	..	..	..	..	..	..	..	..	..	..	..
<i>Outside Managing Agents Control :</i>											
Public Ltd., Indian .	300	204,030	17.99	27.88	15.57	38.80	9.31	5.35	114.90	4.56	110.34
Private Ltd. Indian .	267	118,520	43.21	16.40	16.63	63.15	11.73	8.74	159.86	..	159.86
Public Ltd. Non-Indian . . .	443	365,550	26.28	25.49	10.46	38.74	14.48	7.67	123.06	2.78	120.28
Private Ltd. Non-Indian . . .	3,274	1,952,159	30.94	24.12	9.58	75.67	8.58	5.07	153.96	..	153.96

ANNEXURE XXXVI—contd.
1952—concl'd.

1	2	3	4	5	6	7	8	9	10	11	12
<i>Proprietary and Partnership Concerns :</i>											
Indian . . .	1,824	965,303	35.78	14.43	26.31	26.68	6.78	4.38	114.36	1.57	113.79
Non-Indian . .	1,841	1,538,631	26.63	27.59	13.53	44.29	9.24	4.33	125.61	3.13	122.48
Average cost (weighted) for the Region . .	1,24,315	90,511,205	28.47	23.01	12.77	43.70	10.08	6.02	124.05	3.13	120.92

1953

<i>String Companies (Controlled by Managing Agents/Secretaries, etc.) . . .</i>											
	86,715	68,180,675	28.10	25.64	13.04	48.08	8.65	6.67	130.19	3.58	126.61
<i>Rupree Companies :</i>											
<i>Non-Indian Managing Agents Control :</i>											
Non-Indian . . .	471	315,653	27.13	27.48	13.82	67.80	10.59	5.10	151.92	6.93	144.99
Partly Indian and Partly Non-Indian .	20,711	18,303,313	25.62	24.34	11.87	48.08	9.97	10.03	129.92	7.51	122.41
Indian . . .	393	1,94,934	16.86	26.41	17.73	49.98	2.03	0.84	113.85	3.08	110.77

ANNEXURE XXXVI—Contd.
1953—concl'd.

577

1	2	3	4	5	6	7	8	9	10	11	12
<i>Indian Managing Agents Control :</i>											
Indian . . .	8,467	6,044,380	26.64	23.49	12.25	40.04	8.06	8.20	118.69	4.42	114.27
Partly Indian and Partly Non-Indian . .	..	..	..	..	..	..	..	..	..	..	..
<i>Outside Managing Agents Control :</i>											
Public Ltd. Indian . .	300	256,282	25.64	24.56	15.34	38.17	9.34	5.36	118.41	9.90	108.51
Private Ltd. Indian . .	267	129,410	27.65	21.91	15.56	61.77	11.96	10.86	149.71	..	149.71
Public Ltd. Non-Indian . . .	443	336,980	26.50	26.94	10.69	44.11	12.91	9.34	130.49	..	130.49
Private Ltd. Non-Indian . . .	3,276	2,329,171	25.90	23.01	9.80	66.45	6.53	2.67	134.36	...	134.36
<i>Proprietary and Partnership Concerns :</i>											
Indian . . .	1,825	1,048,405	33.29	20.70	31.23	26.81	9.48	4.77	126.28	1.32	124.96
Non-Indian . . .	1,858	1,778,980	27.17	26.82	13.46	36.74	10.82	4.91	119.92	1.97	117.95
<i>Average cost (weighted) for the Region .</i>											
	1,24,726	98,918,183	27.41	25.10	12.87	47.49	8.84	7.22	128.93	4.21	124.72

ANNEXURE XXXVI—Contd.

1950

All India.

1	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>	3,92,494	336,524,824	22.43	19.14	18.60	45.83	11.30	8.42	125.52	5.88	119.64
<i>Rupce Companies :</i>											
<i>Non-Indian Managing Agents Control :</i>											
Non-Indian	41,229	36,353,748	20.56	15.92	17.95	51.82	11.55	13.27	131.07	8.80	122.27
Partly Indian and Partly Non-Indian	65,488	58,467,072	18.15	16.73	16.81	49.55	11.66	12.42	125.32	9.58	115.74
Indian	393	148,715	26.78	29.94	15.07	54.89	9.27	3.13	139.08	4.03	135.05
<i>Indian Managing Agents Control :</i>											
Indian	20,871	17,949,486	18.46	15.51	16.07	39.78	9.96	9.17	108.95	5.32	103.63
Partly Indian and Partly Non-Indian	13,558	11,038,157	19.05	13.84	20.90	62.91	10.47	12.45	139.62	8.36	131.26
<i>Outside Managing Agents Control :</i>											
Public Ltd. Indian	32,260	30,294,453	14.17	16.09	23.60	32.37	10.81	11.02	108.06	2.33	105.73

ANNEXURE XXXVI—Contd.
1950—concl'd.

1	2	3	4	5	6	7	8	9	10	11	12
Private Ltd. Indian	4,251	2,991,521	19.25	14.12	20.72	33.52	9.63	11.18	108.42	1.17	107.25
Public Ltd. Non-Indian	443	301,501	27.13	22.78	14.73	45.41	9.57	4.68	124.30	3.60	120.70
Private Ltd. Non-Indian	3,619	2,115,583	23.29	23.01	11.57	70.13	10.04	5.10	143.14	..	143.14
<i>Proprietary and Partnership Concerns :</i>											
Indian	11,898	8,237,594	30.55	13.63	26.54	31.13	8.06	8.67	118.58	0.52	118.06
Non-Indian	4,418	3,310,498	27.44	22.28	13.68	35.16	9.35	11.57	119.48	3.60	115.88
Average cost (weighted) for all India	5,90,922	507,733,152	21.24	18.12	18.67	45.61	11.18	9.51	124.33	6.18	118.15
1951											
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>											
	3,96,128	363,417,133	23.97	19.69	19.78	47.14	11.07	12.95	134.60	4.34	130.26
<i>Rupee Companies :</i>											
<i>Non-Indian Managing Agents Control :</i>											
Non-Indian	41,343	36,626,238	24.11	17.54	21.14	54.28	11.05	17.06	145.18	4.94	140.24
Partly Indian and Partly Non-Indian	66,287	59,905,141	20.56	18.30	18.69	49.99	12.11	19.55	139.20	6.93	132.27
Indian	393	183,440	34.60	29.45	14.56	52.23	6.60	2.93	140.37	3.27	137.10

ANNEXURE XXXVI—Contd.
1951— contd.

1	2	3	4	5	6	7	8	9	10	11	12
<i>Indian Managing Agents</i>											
<i>Control :</i>											
Indian . . .	21,584	19,175,010	20.14	16.00	17.60	39.40	10.14	9.15	112.43	3.57	108.86
Partly Indian and Partly Non-Indian .	13,599	11,026,288	19.75	16.24	21.06	64.70	10.56	14.85	147.16	6.00	141.16
<i>Outside Managing Agents</i>											
<i>Control :</i>											
Public Ltd. Indian .	32,424	30,130,633	18.02	17.68	28.69	37.47	11.06	10.88	123.80	1.69	122.11
Private Ltd. Indian .	5,109	3,703,419	22.78	13.79	22.03	37.04	9.12	15.89	120.65	0.63	120.02
Public Ltd. Non- Indian .	443	296,263	28.86	25.19	13.55	39.88	15.84	7.91	131.23	2.44	128.79
Private Ltd. Non- Indian .	3,609	2,18,7175	27.64	22.63	12.56	73.06	9.63	4.25	149.77	..	149.77
<i>Proprietary and Partnership</i>											
<i>Concerns :</i>											
Indian . . .	11,806	8,839,687	31.67	13.82	29.12	32.38	7.67	9.28	123.94	0.79	123.15
Non-Indian . . .	4,418	3,934,826	25.45	23.35	13.06	30.81	10.36	14.23	117.26	2.59	114.67
Average cost (weight- ed) for all India .	5,97,143	539,425,253	23.19	18.94	20.27	47.12	11.12	13.65	134.29	4.41	129.88

ANNEXURE XXXVI—Contd.

1952

1	2	3	4	5	6	7	8	9	10	11	12
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>	3,97,198	351,267,507	26.34	21.98	23.18	49.10	12.02	13.33	145.95	3.46	142.49
<i>Rupree Companies : Non-Indian Managing Agents Control :</i>											
Non-Indian	41,424	35,705,879	24.92	20.39	23.46	55.32	11.94	14.71	150.74	4.80	145.94
Partly Indian and Partly Non-Indian	67,030	58,465,719	22.39	20.02	21.67	55.04	12.17	17.62	148.91	6.67	142.24
Indian	393	154,600	24.88	28.95	16.02	51.83	3.10	0.04	124.82	3.88	120.94
<i>Indian Managing Agents Control :</i>											
Indian	22,020	17,729,880	21.18	17.82	19.16	40.42	9.70	8.94	117.21	2.40	114.81
Partly Indian and Partly Non-Indian	13,654	11,440,210	19.68	16.82	22.70	63.95	10.27	12.81	146.23	4.06	142.17
<i>Outside Managing Agents Control :</i>											
Public Ltd. Indian	32,653	25,023,161	18.68	20.08	29.24	39.13	10.91	9.58	127.62	0.82	126.80
Private Ltd., Indian	5,081	3,301,205	24.55	18.18	26.19	40.70	9.09	12.48	131.19	0.26	130.93
Public Ltd., Non-Indian	443	365,550	26.28	25.49	10.45	38.74	14.42	7.67	123.06	2.78	120.28
Private Ltd., Non-Indian	3,619	2,095,775	29.80	23.71	11.00	73.81	8.78	6.08	153.18	..	153.18

ANNEXURE XXXVI—Contd.

1952—concl'd.

	1	2	3	4	5	6	7	8	9	10	11	12
<i>Proprietary and Partnership Concerns :</i>												
Indian . . .		12,196	8,649,451	29.71	15.54	28.80	30.40	7.28	8.24	119.98	0.58	119.40
Non-Indian . . .		4,431	3,504,838	27.99	25.02	15.58	35.42	10.30	13.88	128.19	2.10	126.09
Average cost (weighted) for all India . . .		6,00,142	517,703,775	25.16	21.19	23.17	49.35	11.73	13.43	144.03	3.67	140.36

582

1953

Sterling Companies (Controlled by Managing Agents/Secretaries, etc.) . . .

	3,96,851	345,304,375	23.30	21.29	20.77	50.60	11.06	15.40	142.42	6.75	135.67
--	----------	-------------	-------	-------	-------	-------	-------	-------	--------	------	--------

Rupree Companies : Non-Indian Managing Agents Control :

Non-Indian . . .	41,299	34,385,573	18.23	19.11	19.41	56.43	10.61	17.37	141.16	11.33	129.83
Partly Indian and Partly Non-Indian . . .	67,124	59,690,920	19.16	19.89	18.12	53.18	11.46	19.40	141.21	10.16	131.05

ANNEXURE XXXVI—Contd.

1953—contd.

1	2	3	4	5	6	7	8	9	10	11	12
Indian <i>Indian Managing Agents</i> <i>Control :</i>	393	194,934	16.86	26.41	17.73	49.98	2.03	0.84	113.85	3.08	110.7
Indian	22,283	19,063,152	18.33	18.02	17.62	39.88	9.34	11.70	114.89	6.08	108.81
Partly Indian and Partly Non-Indian	13,701	10,793,719	16.21	16.62	19.63	62.71	10.27	16.05	141.49	10.00	131.49
<i>Outside Managing Agents</i> <i>Control :</i>											
Public Ltd. Indian	32,863	29,118,190	11.31	16.67	22.41	32.29	10.14	12.12	104.94	2.83	102.11
Private Ltd. Indian	5,128	3,819,300	16.81	16.36	19.69	31.10	8.09	13.81	105.86	1.47	104.39
Public Ltd. Non-Indian.	443	336,980	26.50	26.94	10.69	44.11	12.91	9.34	130.49	..	130.49
Private Ltd. Non-Indian.	3,621	2,455,287	25.19	22.88	11.04	65.92	6.78	3.55	135.35	..	135.35
<i>Proprietary and Partnership</i> <i>Concerns :</i>											
Indian	12,576	9,113,067	27.43	14.70	24.99	30.33	7.03	10.11	114.59	1.01	113.58
Non-Indian	4,448	3,618,360	29.76	24.48	15.14	35.44	11.33	15.87	132.02	3.68	128.34
Average cost (weighted) for all India	6,00,670	517,833,857	21.55	20.38	20.29	49.54	10.82	15.50	138.07	7.07	131.00

SOURCE :—Returns from estates.

ANNEXURE XXXVII—Contd.
1950—contd.

I	2	3	4	5	6	7	8	9	10	11	12
Mysore	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for South India	85,830	54,123,640	25.03	23.15	11.42	44.98	9.43	4.34	118.35	4.81	113.54
Average (weighted) cost of Production for All India	3,92,494	336,524,824	22.43	19.14	18.60	45.63	11.30	8.42	125.52	5.88	119.64
Assam	1,84,853	198,653,081	23.86	18.51	20.12	50.67	10.82	12.50	136.48	4.71	131.77
Cachar	37,115	24,656,798	27.23	17.91	21.59	54.91	11.23	17.77	150.64	4.94	145.70
Dooars & Terai	72,815	67,940,311	22.22	20.06	26.56	36.43	12.51	20.36	138.14	3.01	135.13
Darjeeling	13,868	6,137,856	42.62	36.49	26.35	73.85	15.07	13.99	208.37	4.35	204.02
Tripura	..	..	..	..	..	..	..	..	..	..	..
Bihar	1,218	221,220	41.58	18.81	18.28	60.95	13.58	4.35	157.55	12.14	145.41
Average (weighted) for North India	3,09,869	296,709,266	24.17	19.18	21.80	48.26	11.36	14.76	139.53	4.34	135.19
Malabar Wynaad and Nilgiri Wynaad	16,842	11,836,010	28.33	22.16	10.26	40.56	9.68	4.79	115.78	0.94	114.84
Madras	17,922	15,838,540	21.13	23.07	10.08	44.44	10.68	4.65	114.05	4.44	109.61
T. C. State	51,495	38,133,317	22.30	21.01	10.99	41.57	9.37	4.78	110.02	5.35	104.67
Coorg	..	..	..	..	..	..	..	..	..	..	..
Mysore	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for South India	86,259	65,807,867	23.10	21.71	10.64	42.08	9.47	4.75	111.75	4.34	107.41

ANNEXURE XXXVII—*contd.*
1951—concl'd.

586

I	2	3	4	5	6	7	8	9	10	11	12
Average (weighted) cost of production for All India . . .	3,96,128	363,417,133	23·97	19·69	19·78	47·14	11·07	12·95	134·60	4·34	130·26
Assam . . .	1,85,203	195,425,745	25·38	21·08	23·52	52·13	12·31	14·25	148·67	4·05	144·62
Cachar . . .	37,346	23,895,967	28·64	19·82	23·60	57·85	11·33	14·45	155·69	3·63	152·06
Dooars and Terai . .	72,970	63,447,755	24·28	22·50	31·71	41·27	12·97	18·31	151·04	2·77	148·27
Darjeeling . . .	13,852	5,751,492	45·20	41·09	28·49	78·75	15·78	14·08	223·39	4·00	219·39
Tripura . . .	..	..	..	..	..	..	..	..	..	..	..
Bihar . . .	1,218	205,440	52·12	19·37	15·65	64·51	11·78	13·24	176·67	11·71	164·96
Average (weighted) for North India . . .	3,10,589	288,726,399	25·81	21·68	25·44	50·75	12·44	15·15	151·27	3·74	147·53
Malabar Wynaad and Nilgiri Wynaad . .	16,951	10,963,166	35·82	24·18	11·86	45·20	11·03	5·23	133·32	1·32	132·00
Madras . . .	18,113	15,974,755	24·31	23·93	12·22	44·88	10·60	4·79	120·73	2·62	118·11
T. C. State . . .	51,545	35,603,187	28·61	22·89	13·27	38·74	9·52	4·88	117·91	2·17	115·74
Coorg . . .	..	..	..	..	..	..	..	..	..	..	..
Mysore . . .	..	..	..	..	..	..	..	..	..	..	..
Average cost (weighted) for South India . .	86,609	62,541,108	28·78	23·38	12·75	41·44	10·06	4·92	121·33	2·14	119·19

ANNEXURE XXXVII—Contd.
1952—concl'd.

I	2	3	4	5	6	7	8	9	10	11	12
Average (weighted) cost of production for All India	3,97,198	351,267,507	36,24	21,98	23,18	49,10	12,02	13,33	155,85	3,46	152,39
1953											
Assam	1,86,310	182,201,102	24,24	21,14	22,79	54,83	11,55	16,75	151,30	7,29	144,01
Cachar	36,444	23,413,929	16,85	15,54	16,95	48,53	10,83	17,66	126,36	9,28	117,08
Dooars and Terai	72,303	65,924,859	17,27	18,03	24,35	39,53	12,10	19,81	131,09	7,50	123,59
Darjeeling	13,861	3,881,170	31,45	36,29	23,05	84,90	13,28	17,00	205,97	8,18	197,79
Tripura	..	..	..	..	..	..	..	..	..	..	..
Bihar	1,218	202,640	52,17	19,88	16,99	63,41	1,67	4,38	158,50	10,88	147,62
Average (weighted) for North India	3,10,136	277,123,700	22,12	20,22	22,67	51,22	11,65	17,55	145,43	7,53	137,90
Malabar Wynaad and Nilgiri Wynaad	17,123	13,619,451	28,92	22,70	10,51	41,59	4,04	8,14	115,90	1,01	114,89
Madras	18,195	18,274,912	21,83	23,79	11,34	47,93	9,15	8,02	122,06	4,03	118,03
T. C. State	51,397	36,286,312	30,95	27,67	14,85	50,61	10,13	5,44	139,65	4,31	135,34
Coorg	..	..	..	..	..	..	..	..	..	..	..
Mysore	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for South India	86,715	68,180,675	28,10	25,64	13,04	48,08	8,65	6,67	130,18	3,58	126,60
Average (weighted) cost of Production for All India	3,96,851	345,304,375	23,30	21,29	20,77	50,60	11,06	15,40	142,42	6,75	135,67

ANNEXURE XXXVII—contd.

1950

Non-Indian Managing Agents Control :
Non-Indian.

1	2	3	4	5	6	7	8	9	10	11	12
Assam . . .	13,144	11,377,283	20,000	13,57	16,68	53,03	10,68	11,02	124,98	8,99	115,99
Cachar . . .	5,821	3,708,250	24,73	18,57	19,46	47,65	11,42	8,56	130,39	7,00	123,39
Dooars . . .	12,908	16,665,335	16,58	16,37	18,42	48,46	11,65	14,38	125,86	9,54	116,32
Darjeeling . .	8,885	4,339,833	33,21	17,98	18,52	65,09	13,70	19,60	168,10	7,28	160,82
Tripura . . .	..	..	..	..	..	..	..	..	..	..	..
Bihar . . .	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for											
North India . .	40,758	36,090,701	20,50	15,91	17,99	51,82	11,57	13,35	131,14	8,84	122,30
Malabar Wynaad and Nilgiri Wynaad .	..	..	..	..	..	..	..	..	..	..	..
Madras . . .	..	..	..	..	..	..	..	..	..	..	..
T. C. State . .	471	263,047	28,82	17,76	13,13	52,35	9,78	1,17	123,01	3,69	119,32
Coorg . . .	..	..	..	..	..	..	..	..	..	..	..
Mysore . . .	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for											
South India . .	471	263,047	28,82	17,76	13,13	52,35	9,78	1,17	123,01	3,69	119,32

ANNEXURE XXXVII—Contd.
1950—concl'd.

1	2	3	4	5	6	7	8	9	10	11	12
<hr/>											
Average cost of produc- tion (weighted) for All India . . .	41,229	36,353,748	20.56	15.92	17.95	51.82	11.55	13.27	131.07	8.80	122.27
<hr/>											
	1951										
Assam . . .	13,216	11,826,484	22.63	16.75	19.99	53.48	10.19	19.78	142.82	1.69	141.13
Cachar . . .	5,813	3,355,846	30.69	20.55	24.36	54.27	12.05	13.63	155.55	5.21	150.34
Dooars . . .	12,938	16,801,606	20.28	17.66	20.55	52.49	10.77	14.68	136.43	7.66	128.77
Darjeeling . . .	8,905	4,333,229	37.96	16.89	24.42	63.17	13.78	22.34	178.56	3.05	175.51
Tripura . . .	..	..	..	..	..	..	..	..	..	..	..
Bihar . . .	..	..	..	..	..	..	..	..	..	..	..
<hr/>											
Average (weighted) for North India . . .	40,872	36,317,165	24.06	17.53	21.19	54.25	11.06	17.16	145.25	4.94	140.31
Malabar Wynaad and Nilgiri Wynaad . . .	..	..	..	..	..	..	..	..	..	..	..
Madras . . .	..	..	..	..	..	..	..	..	..	..	..
T. C. State . . .	471	309,073	30.80	18.45	14.47	57.94	10.23	4.99	136.88	4.40	132.48
Coorg . . .	..	..	..	..	..	..	..	..	..	..	..
Mysore . . .	..	..	..	..	..	..	..	..	..	..	..
<hr/>											
Average (weighted) for South India . . .	471	309,073	30.80	18.45	14.47	57.94	10.23	4.99	136.88	4.40	132.48

ANNEXURE XXXVII—*contd.*
1952

I	2	3	4	5	6	7	8	9	10	11	12
Average (weighted) cost of Production for All India . . .											
	41,343	36,626,238	24.11	17.54	21.14	54.28	11.05	17.06	145.18	4.94	140.24
Assam . . .											
	13,339	12,311,165	22.33	19.09	22.81	51.69	11.43	18.37	145.72	6.61	139.11
Cachar . . .											
	5,354	3,228,092	37.19	24.15	27.31	57.21	11.93	12.69	170.48	4.17	166.31
Dooars . . .											
	13,106	15,897,185	21.11	19.67	22.69	53.77	11.98	12.45	141.67	4.10	137.57
Darjeeling . . .											
	9,154	3,972,242	37.82	23.73	26.09	70.78	13.45	14.82	186.69	2.56	184.13
Tripura . . .											

Bihar . . .											

Average (weighted) for North India . . .											
	40,953	35,408,684	24.88	20.33	23.53	55.27	11.96	14.79	150.76	4.81	145.95
Malabar Wynaad and Nilgiri Wynaad . . .											

Madras . . .											

T. C. State . . .											
	471	297,195	30.50	27.37	14.52	61.33	10.80	4.75	149.27	4.89	144.38
Coorg . . .											

Mysore . . .											

Average (weighted) for South India . . .											
	471	297,195	30.50	27.37	14.52	61.33	10.80	4.75	149.27	4.89	144.38

ANNEXURE XXXVII—Contd.
1952—concl'd.

1	2	3	4	5	6	7	8	9	10	11	12
<hr/>											
Average (weighted) cost of Production for All India . . .	41,424	35,705,879	24.92	20.39	23.46	55.32	11.94	14.71	150.74	4.80	145.94
<hr/>											
1953											
Assam . . .	13,386	11,422,193	20.02	19.55	19.95	55.13	11.48	21.66	147.79	12.87	134.92
Cachar . . .	5,365	3,145,730	17.26	14.55	18.02	45.61	10.58	13.09	119.11	9.51	109.60
Dooars . . .	13,163	11,519,790	13.68	17.89	18.62	56.21	10.72	15.13	132.25	11.54	120.71
Darjeeling . . .	8,914	3,882,207	31.37	25.75	22.51	68.96	7.64	18.20	174.43	7.77	166.66
Tripura . . .	..	..	..	..	..	..	..	..	..	..	..
Bihar . . .	..	..	..	..	..	..	..	..	..	..	..
<hr/>											
Average (weighted) for North India . . .	40,828	34,069,920	18.15	19.03	19.46	56.33	10.61	17.48	141.06	11.37	129.69
<hr/>											
Malabar Wynaad and Nilgiri Wynaad . . .	..	..	..	..	..	..	..	..	..	..	..
Madras . . .	..	..	..	..	..	..	..	..	..	..	..
T. C. State . . .	471	315,653	27.13	27.48	13.82	67.80	10.59	5.10	151.92	6.93	144.99
Coorg . . .	..	..	..	..	..	..	..	..	..	..	..
Mysore . . .	..	..	..	..	..	..	..	..	..	..	..
<hr/>											
Average (weighted) for South India . . .	471	315,653	27.13	27.48	13.82	67.80	10.59	5.10	151.92	6.93	144.99
<hr/>											
Average cost of production (weighted) for All India . . .	41,299	34,585,573	18.23	19.11	19.41	56.43	10.61	17.37	141.16	11.13	129.83

ANNEXURE XXXVII—*contd.*
1950

*Non-Indian Managing Agents Control :
Partly Indian and Partly Non-Indian*

1	2	3	4	5	6	7	8	9	10	11	12	
Assam	.	21,578	19,737,288	17.75	13.63	16.41	53.98	11.38	13.58	126.73	8.68	118.05
Cachar	.	5,499	4,052,143	18.41	18.59	21.74	44.37	13.13	10.28	126.52	8.86	117.66
Dooars	.	16,541	19,400,946	14.68	15.19	20.31	45.23	12.87	13.96	122.24	12.14	110.10
Darjeeling	.	2,542	1,030,979	33.90	37.01	29.02	65.72	15.18	16.56	197.39	9.11	188.28
Tripura
Bihar
<hr/>												
Average (weighted) for North India	.	46,160	44,221,356	16.84	15.31	18.91	49.54	12.28	13.52	126.40	10.22	116.18
<hr/>												
Malabar Wynaad and Nilgiri Wynaad	.	2,782	1,110,684	28.25	25.57	13.12	69.11	10.74	5.25	152.04	6.28	145.76
Madras	.	11,959	9,639,508	24.90	23.30	10.68	46.92	9.71	11.22	126.73	8.30	118.43
T. C. State	.	4,048	3,281,345	12.53	12.99	7.79	51.09	9.35	4.01	97.76	5.80	91.96
Coorg
Mysore	.	539	214,179	18.94	25.56	17.64	46.79	12.49	2.26	123.68	8.88	166.80
<hr/>												
Average (weighted) for South India	.	19,328	14,245,716	22.23	21.14	10.30	49.61	9.75	8.96	121.99	7.57	114.42

ANNEXURE XXXVII—*contd.*
1950—*contd.*

1	2	3	4	5	6	7	8	9	10	11	12
Average cost of production (weighted) for All India											
	65,488	58,467,072	18.15	16.73	16.81	49.55	11.66	12.42	125.32	9.58	115.74
1951											
Assam	21,668	20,372,018	20.06	15.38	18.18	53.38	11.95	21.00	139.95	6.52	133.43
Cachar	5,550	3,563,127	22.69	21.24	25.04	51.95	12.86	21.63	155.41	6.32	149.09
Dooars	16,602	18,127,333	18.66	17.83	24.51	46.05	13.50	25.11	145.66	6.09	139.57
Darjeeling.	2,542	949,452	33.60	41.57	32.97	70.05	17.95	18.73	214.87	5.58	209.29
Tripura	..	..	..	..	..	..	..	..	..	..	..
Bihar	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for North India											
	46,362	43,011,930	19.98	17.47	21.75	50.54	12.81	22.73	145.28	6.30	138.98
Malabar Wynaad and Nilgiri Wynaad	2,797	1,596,818	23.75	22.60	12.84	55.06	11.65	4.50	130.40	6.41	123.99
Madras	12,541	11,370,742	23.91	22.31	11.21	46.75	10.37	13.82	128.37	9.54	118.83
T. C. State	4,048	3,648,651	14.09	13.23	8.73	52.15	9.60	7.79	105.59	6.38	99.21
Coorg	..	..	..	..	..	..	..	..	..	..	..
Mysore	539	277,000	39.74	25.41	15.92	39.65	11.13	2.00	133.85	7.76	126.09
Average (weighted) for South India											
	19,925	16,893,211	22.03	20.43	10.92	48.58	10.33	11.45	123.74	8.53	115.21

ANNEXURE XXXVII—*contd.*
1950—*contd.*

1	2	3	4	5	6	7	8	9	10	11	12
Average cost of production (weighted) for All India	66,287	59,905,141	20'56	18'30	18'69	49'99	12'11	19'55	139'21	6'93	132'28
					1952						
Assam	21,788	20,828,848	20'54	16'73	20'62	60'51	11'56	20'03	149'99	7'71	142'28
Cachar	5,572	3,272,662	26'89	24'97	31'71	57'27	12'90	18'79	172'53	4'40	168'13
Doors	16,629	16,907,057	18'86	19'37	29'09	51'02	13'83	22'04	154'21	5'08	149'13
Darjeeling	2,535	931,777	35'55	43'93	40'39	77'67	12'01	15'22	224'77	6'37	218'40
Tripura . . . . .	..	..	..	..	..	..	..	..	..	..	..
Bihar . . . . .	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for North India	46,524	41,940,344	20'69	19'04	25'35	56'76	12'59	20'64	155'07	6'36	148'71
Malabar Wynaad and Nilgiri Wynaad	2,797	1,232,771	43'00	32'15	15'43	63'97	13'59	5'39	173'53	2'45	171'08
Madras	13,108	11,351,302	23'18	19'46	10'49	40'96	9'04	9'84	112'97	7'57	105'08
T. C. State	4,062	3,651,249	17'55	17'16	10'61	53'27	11'19	6'42	116'20	6'38	109'82
Coorg . . . . .	..	..	..	..	..	..	..	..	..	..	..
Mysore	539	289,873	37'59	23'70	14'87	36'24	13'19	3'64	129'23	5'98	123'25
Average (weighted) for South India	20,506	16,525,375	26'71	22'52	12'33	50'67	11'11	9'93	133'27	7'44	125'83

ANNEXURE XXXVII—*contd.*
1952—*contd.*

I	2	3	4	5	6	7	8	9	10	11	12
Average cost of production (weighted) for											
All India . . .	67,090	58,465,719	22'39	20'02	21'67	55'04	12'17	17'62	148'91	6'67	142'24
1953											
Assam . . .	21,890	19,749,248	18'77	17'32	18'54	58'01	11'32	21'29	145'25	10'26	134'99
Cachar . . .	5,292	3,495,602	13'62	18'27	22'61	50'33	11'12	21'59	137'54	12'47	125'07
Dooars . . .	16,696	17,271,203	13'30	17'49	22'84	51'67	13'39	26'84	145'53	12'36	133'17
Darjeeling . . .	2,535	811,554	31'51	40'30	33'71	95'38	9'23	17'27	227'40	10'82	216'58
Tripura . . .	..	..	..	..	..	..	..	..	..	..	..
Bihar . . .	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for											
North India . . .	46,413	41,327,607	16'28	17'92	20'90	55'44	12'12	23'56	146'22	11'33	134'89
Malabar Wynaad and Nilgiri Wynaad . . .											
Madras . . .	2,833	1,680,264	34'87	29'46	10'35	47'25	11'65	4'81	138'39	4'81	133'58
T. C. State . . .	13,277	12,581,577	24'78	23'37	11'82	51'23	9'45	11'47	132'12	8'65	123'47
Coorg . . .	4,062	3,728,499	22'82	25'15	12'46	38'59	10'40	8'11	117'53	4'99	112'54
Mysore . . .	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for											
South India . . .	539	312,973	43'48	26'20	15'03	38'83	17'66	2'67	143'87	5'38	138'04
Average (weighted) for South India . . .	20,711	18,303,313	25'62	24'34	11'87	48'08	9'97	10'03	129'92	7'51	122'41

ANNEXURE XXXVII—contd.

1953—contd.

1	2	3	4	5	6	7	8	9	10	11	12
Average cost of production (weighted) for All India	67,124	59,630,920	19.16	19.89	18.12	53.18	11.46	19.40	141.21	10.16	131.05

1950

Non-Indian Managing Agents Control :
Indian.

Malabar Wynaad and Nilgiri Wynaad	393	148,715	26.78	29.94	15.07	54.89	9.27	3.13	139.08	4.03	135.05
---	-----	---------	-------	-------	-------	-------	------	------	--------	------	--------

596

Average (weighted) for South India and All India

393	148,715	26.78	29.94	15.07	54.89	9.27	3.13	139.08	4.03	135.05
-----	---------	-------	-------	-------	-------	------	------	--------	------	--------

1951

Malabar Wynaad and Nilgiri Wynaad

303	183,440	34.60	29.45	14.56	52.23	6.60	2.93	140.37	3.27	137.10
-----	---------	-------	-------	-------	-------	------	------	--------	------	--------

Average (weighted) for South India and All India

363	183,440	34.60	29.45	14.56	52.23	6.60	2.93	140.37	3.27	137.10
-----	---------	-------	-------	-------	-------	------	------	--------	------	--------

ANNEXURE XXXVII—contd.

1952

1	2	3	4	5	6	7	8	9	10	11	12
Malabar Wynaad and Nilgiri Wynaad .	393	154,600	24.88	28.95	16.02	51.83	3.10	0.04	124.82	3.88	120.94

Average (weighted) for South India and All India . . .	393	154,600	24.88	28.95	16.02	51.83	3.10	0.04	124.82	3.88	120.94
--	-----	---------	-------	-------	-------	-------	------	------	--------	------	--------

1953

Malabar Wynaad and Nilgiri Wynaad .	393	194,934	16.86	26.41	17.73	49.98	2.03	0.84	113.85	3.08	110.77
-------------------------------------	-----	---------	-------	-------	-------	-------	------	------	--------	------	--------

Average (weighted) for South India and All India . . .	393	194,934	16.86	26.41	17.73	49.98	2.03	0.84	113.85	3.08	110.77
--	-----	---------	-------	-------	-------	-------	------	------	--------	------	--------

ANNEXURE XXXVII—*contd.*
1950

I	2	3	4	5	6	7	8	9	10	11	12
Assam . . .	622	609,360	17'56	14'61	16'11	58'19	12'44	13'83	132'74	12'40	120'34
Cachar . . .	469	377,558	12'31	8'71	20'75	25'67	11'11	7'50	86'05	6'54	79'51
Dooars . . .	9,159	9,844,105	13'56	15'14	18'80	39'58	11'29	10'63	107'98	5'17	102'81
Darjeeling . . .	722	174,049	20'14	16'84	27'12	124'65	12'85	16'08	217'68	5'71	211'97
Tripura . . .	835	855,533	16'82	5'82	17'17	38'13	8'81	21'21	107'96	7'38	100'58
Bihar . . .	832	487,296	6'43	8'89	9'05	38'00	0'24	..	62'61	8'54	54'07
Average (weighted) for North India . . .	12,639	12,547,901	13'63	13'97	18'20	40'26	10'59	10'91	107'56	5'88	101'68
Malabar Wynaad and Nilgiri Wynaad . .	795	468,537	19'41	20'34	21'68	64'09	10'37	4'83	140'72	8'82	131'90
Madras . . .	1,954	1,293,244	20'26	15'56	11'38	49'44	6'99	12'31	115'94	3'20	112'74
T. C. State . . .	3,999	2,892,136	35'13	20'14	8'54	25'27	8'38	2'54	100'00	2'90	97'10
Coorg . . .	432	222,608	51'81	25'29	13'47	47'58	10'75	3'90	152'80	5'87	146'93
Mysore . . .	1,052	525,060	22'66	18'26	14'69	59'50	10'32	2'02	127'45	7'32	120'13
Average (weighted) for South India . . .	8,232	5,401,585	29'68	19'09	11'16	38'67	8'51	5'08	112'19	4'03	108'16

ANNEXURE XXXVII—*contd.*
1950—*contd.*

1	2	3	4	5	6	7	8	9	10	11	12
Average (weighted) cost of production for All India											
	20,871	17,949,486	18.46	15.51	16.07	39.78	9.96	9.16	108.95	5.32	103.63
1951											
Assam	1,150	1,070,480	27.98	15.12	25.99	50.08	10.15	13.47	142.79	5.26	137.53
Cachar	476	366,176	12.61	7.87	17.55	29.38	9.85	9.07	86.33	5.79	80.54
Dooars	9,254	9,897,143	16.07	16.16	21.02	36.19	11.85	10.50	111.81	2.31	109.50
Darjeeling	722	176,079	19.43	17.36	40.34	142.28	16.73	12.74	248.88	5.96	242.92
Tripura	847	884,600	20.06	7.02	17.77	40.70	8.59	20.41	114.55	5.98	108.57
Bihar	832	719,684	6.11	8.83	6.04	43.25	0.22	..	64.45	6.83	57.62
Average (weighted) for North India											
	13,281	13,114,162	16.72	14.84	20.55	39.25	10.87	10.82	113.05	3.19	109.86
Malabar Wynaad and Nilgiri Wynaad											
	825	522,859	18.32	21.20	22.04	64.13	12.00	5.45	143.14	8.01	135.13
Madras	1,982	1,494,952	17.66	15.42	10.46	41.18	6.90	12.72	104.34	2.28	102.06
T. C. State	4,011	3,072,113	33.79	19.47	9.22	30.29	8.28	2.85	103.90	3.60	100.30
Coorg	432	287,175	43.50	20.85	12.71	40.85	12.51	4.31	134.73	6.04	128.69
Mysore	1,053	683,749	21.66	17.74	13.10	60.04	9.28	2.61	124.43	9.05	115.38
Average (weighted) for South India											
	8,303	6,060,848	27.57	18.49	11.24	39.75	8.58	5.55	111.18	4.39	106.79

ANNEXURE XXXVII—contd.

1951contd

I	2	3	4	5	6	7	8	9	10	11	12
Average (weighted) cost of production for All											
1952											
India	21,584	19,175,010	20'14	16'00	17'60	39'40	10'15	9'15	112'44	3'57	108'87
Assam	1,208	1,189,414	25'57	16'47	30'66	38'84	9'30	11'84	132'68	4'13	128'55
Cachar	480	295,080	21'02	10'24	15'26	31'44	8'95	11'31	98'22	1'69	96'53
Dooars	9,329	8,733,983	15'67	17'80	22'53	38'23	10'40	8'07	112'70	1'35	111'35
Darjeeling	717	172,856	25'59	20'71	33'10	121'93	13'62	12'93	227'88	4'17	223'71
Tripura	1,027	777,761	20'61	8'07	18'96	41'86	9'26	20'38	119'14	4'85	114'29
Bihar	872	712,052	7'46	8'64	6'42	45'35	7'22	7'36	82'45	4'02	78'43
Average (weighted) for North India											
	13,693	11,881,146	16'77	16'33	22'13	40'02	10'20	9'35	114'80	2'06	122'74
Malabar Wynaad and Nilgiri Wynaad	854	492,903	19'19	22'73	25'14	69'96	10'18	4'23	151'43	8'18	143'25
Madras	2,013	1,453,051	18'85	16'36	12'61	45'34	8'08	17'36	118'60	2'22	116'38
T. C. States	4,035	2,976,450	36'30	22'81	10'80	30'86	8'81	5'35	114'93	1'73	113'20
Coorg	432	261,378	55'45	25'66	13'66	37'71	9'27	6'77	148'52	4'01	144'51
Mysore	1,053	664,952	25'35	18'52	15'43	58'94	10'97	3'36	132'57	4'98	125'59
Average (weighted) for South India											
	8,387	5,848,734	30'12	20'84	13'12	41'25	9'01	8'08	122'42	3'09	119'33
Average (weighted) cost of production for All India											
	22,020	17,729,880	21'18	17'82	19'15	40'42	9'70	8'94	117'21	2'40	114'81

ANNEXURE XXXVII—contd.

1953

1	2	3	4	5	6	7	8	9	10	11	12
Assam	1,266	1,203,869	26·02	16·30	34·59	46·13	7·94	14·25	145·23	8·03	137·20
Cachar	488	350,813	13·92	14·49	21·52	31·26	9·79	12·81	103·79	9·07	94·72
Dooars	9,366	9,777,886	13·76	16·43	19·67	37·96	10·51	13·01	111·34	6·80	104·54
Darjeeling	721	153,672	16·79	28·12	37·91	79·71	12·55	18·50	193·58	5·01	188·57
Tripura	1,041	876,350	11·25	7·21	16·61	42·81	7·37	19·93	105·18	10·89	94·29
Bihar	874	656,182	9·19	9·78	1·43	34·74	8·79	7·65	71·58	..	..
Average (weighted) for North India	13,756	13,018,772	14·48	15·48	20·11	39·80	9·94	13·33	113·13	6·86	106·27
Malabar Wynaad and Nilgiri Wynaad	869	434,327	23·31	21·75	18·22	70·29	8·97	5·54	148·08	7·08	141·00
Madras	2,052	1,588,825	20·73	17·80	11·25	40·40	7·42	14·93	112·53	3·27	109·26
T. C. State	4,061	3,040,926	28·20	27·63	11·07	31·69	8·37	6·43	113·39	3·31	110·08
Coorg	432	280,800	50·83	23·78	16·35	41·62	7·04	3·77	143·39	8·65	134·74
Mysore	1,053	699,502	25·69	19·40	14·32	56·16	8·02	4·00	127·59	8·54	119·05
Average (weighted) for South India	8,467	6,044,380	26·94	23·49	12·25	40·04	8·06	8·20	118·69	4·42	114·27

ANNEXURE XXXVII—contd.
1950—contd.

[illegible]

ANNEXURE XXXVII—*contd.*
1951—*contd.*

I.	2	3	4	5	6	7	8	9	01	11	12
Average (weighted) cost of production for All India											
	13.599	11,026,288	19.75	16.24	21.06	64.70	10.56	14.85	147.16	6.00	141.16
1952											
Assam	4.676	5,747,573	20.00	16.82	21.20	56.34	10.18	14.81	139.35	4.67	134.68
Cachar	3.532	944,540	22.12	15.95	22.04	80.56	8.07	8.15	156.89	2.76	154.13
Dooars	3.868	4,023,571	16.07	14.54	23.88	65.11	10.53	10.25	140.38	3.20	137.18
Darjeeling	1.578	724,526	33.99	30.63	28.93	96.25	12.42	17.23	219.45	5.75	213.70
Tripura	..	..	..	..	..	..	..	..	..	..	..
Bihar	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for North India											
	13.654	11,440,210	19.68	16.82	22.70	63.95	10.27	12.81	146.23	4.06	142.17
Malabar Wynaad and Nilgiri Wynaad	..	..	..	..	..	..	..	..	..	..	..
Madras	..	..	..	..	..	..	..	..	..	..	..
T. C. State	..	..	..	..	..	..	..	..	..	..	..
Coorg	..	..	..	..	..	..	..	..	..	..	..
Mysore	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for South India											

Average (weighted) cost of production for All India											
	13.654	11,440,210	19.68	16.82	22.70	63.95	10.27	12.81	146.23	4.06	142.17

ANNEXURE XXVII—contd.

1953

1	2	3	4	5	6	7	8	9	10	11	12
Assam . . .	4,721	5,298,761	20'52	17'68	18'85	61'07	10'13	18'57	146'82	9'97	136'85
Cachar . . .	3,532	914,895	8'81	12'93	15'48	59'27	9'65	12'27	118'41	6'01	112'40
Dooars . . .	3,870	3,920,120	10'30	13'43	20'67	60'13	10'22	13'52	128'27	10'83	117'44
Darjeeling . .	1,578	659,943	26'92	32'18	25'29	95'91	12'57	16'06	208'93	10'95	197'98
Tripura . . .	..	..	..	..	..	..	..	..	..	..	..
Bihar . . .	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for North India . .	13,701	10,793,719	16'21	16'62	19'63	62'71	10'27	16'05	141'49	10'00	131'49
Malabar Wynaad and Nilgiri Wynaad .	..	..	..	..	..	..	..	..	..	..	..
Madras . . .	..	..	..	..	..	..	..	..	..	..	..
T. C. State . .	..	..	..	..	..	..	..	..	..	..	..
Coorg . . .	..	..	..	..	..	..	..	..	..	..	..
Mysore . . .	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for South India . .	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) cost of production for All India . . .	13,701	10,793,719	16'21	16'62	19'63	62'71	10'27	16'05	141'49	10'00	131'49

*Outside Managing Agent control :
Public Limited Indian.*

1950

1	2	3	4	5	6	7	8	9	10	11	12
Assam . . .	3,385	5,043,374	15.62	12.89	20.37	37.28	10.14	12.58	108.88	3.32	105.56
Cachar . . .	1,334	512,290	21.77	16.74	19.38	50.56	12.86	8.02	129.33	..	129.33
Doors . . .	23,334	22,817,743	13.81	16.78	24.47	30.41	10.84	10.72	107.03	2.00	105.03
Darjeeling. . .	..	..	..	..	..	..	..	..	..	..	..
Tripura . . .	489	123,002	35.87	6.23	25.57	85.81	31.66	35.20	220.34	3.50	216.84
Bihar . . .	1,458	1,570,295	9.70	16.10	24.58	35.01	10.46	9.98	105.83	3.02	102.81
Average (weighted) for North India . .	30,000	30,066,704	14.13	16.05	23.70	32.37	10.83	11.05	108.13	2.29	105.83
Malabar Wynaad and Nilgiri Wynaad . .	..	..	..	..	..	..	..	..	..	..	..
Madras . . .	..	..	..	..	..	..	..	..	..	..	..
T. C. State . .	260	227,749	18.75	20.85	11.18	32.47	8.17	6.41	97.83	7.39	90.44
Coorg . . .	..	..	..	..	..	..	..	..	..	..	..
Mysore . . .	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for South India . .	260	227,749	18.75	20.85	11.18	32.47	8.17	6.41	97.83	7.39	90.44

ANNEXURE XXXVII—*contd.*
1950—*contd.*

1	2	3	4	5	6	7	8	9	10	11	12
Average (weighted) Cost of Production for All India											
	30,260	30,294,453	14'17	16'09	23'60	32'37	10'81	11'02	108'06	2'33	105'73
1951											
Assam	5,352	5,238,679	19'30	15'79	23'33	41'83	10'04	11'99	122'28	2'43	119'85
Cachar	1,345	405,544	29'34	19'19	26'32	72'41	11'83	11'06	170'15	1'10	169'05
Dooars	23,474	22,587,539	17'45	18'03	30'13	35'58	11'35	10'75	123'29	1'49	121'80
Darjeeling	..	..	..	..	..	..	..	..	..	..	..
Tripura	489	204,245	18'26	4'98	8'26	54'29	9'78	17'79	113'36	..	113'36
Bihar	1,464	1,466,154	16'94	19'14	31'33	39'57	10'58	8'16	125'72	1'96	123'76
Average (weighted) for North India											
	32,124	29,902,161	17'94	17'64	28'81	37'50	11'07	10'89	123'85	1'66	122'19
Malabar Wynaad and Nilgiri Wynaad											

Madras											

T. C. State											
	300	228,472	27'79	23'50	12'87	33'20	10'15	8'53	116'04	4'77	111'27
Coorg											

Mysore											

Average (weighted) for South India											
	300	228,472	27'79	23'50	12'87	33'20	10'15	8'53	116'04	4'77	111'27
Average (weighted) Cost of Production for All India											
	32,424	30,130,633	18'02	17'68	28'69	37'47	11'06	10'88	123'80	1'69	122'11

ANNEXURE XXXVII—contd.

1952

1	2	3	4	5	6	7	8	9	10	11	12
Assam . . .	5,449	4,670,136	17'96	18'13	26'06	42'38	10'32	11'94	126'79	1'62	125'17
Cachar . . .	1,350	376,121	26'60	20'92	21'10	72'61	12'32	13'04	166'59	1'07	165'52
Dooars . . .	23,584	18,359,068	18'77	20'41	30'25	37'47	11'22	9'08	127'20	0'54	126'66
Darjeeling . . .	..	..	..	..	..	..	..	..	..	..	..
Tripura . . .	489	150,225	20'11	6'12	15'39	51'19	7'75	15'56	116'12	..	116'12
Bihar . . .	1,481	1,263,581	17'90	22'81	32'39	39'90	8'83	7'02	128'85	1'44	127'41
Average (weighted) for North India . . .	32,353	24,819,131	18'69	20'02	29'35	39'13	10'92	9'61	127'72	0'79	126'93
Malabar Wynaad and Nilgiri Wynaad . . .	..	..	..	..	..	..	..	..	..	..	..
Madras . . .	..	..	..	..	..	..	..	..	..	..	..
T. C. State . . .	300	204,030	18'00	27'88	15'57	38'79	9'31	5'35	114'90	4'56	110'34
Coorg . . .	..	..	..	..	..	..	..	..	..	..	..
Mysore . . .	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for South India . . .	300	204,030	18'00	27'88	15'57	38'79	9'31	5'35	114'90	4'56	110'34

ANNEXURE XXXVII—contd.
1952—concl'd.

1	2	3	4	5	6	7	8	9	10	11	12
Average (weighted) cost of Production for All India											
India . . .	32,653	25,023,161	18'68	20'08	29'24	39'13	10'91	9'58	127'62	0'82	126'80
1953											
Assam . . .	5,507	4,897,743	12'02	15'24	21'37	37'19	10'50	15'14	111'46	4'00	107'46
Cachar . . .	1,377	464,464	10'73	14'08	12'59	48'50	8'52	9'85	104'27	0'99	103'28
Dooars . . .	23,694	21,777,292	11'16	17'02	22'96	30'71	10'20	11'65	130'70	2'39	101'31
Darjeeling . . .	..	..	..	..	..	..	..	..	..	..	..
Tripura . . .	489	175,306	15'73	6'48	16'14	42'09	9'84	15'42	105'70	7'75	97'95
Bihar . . .	1,496	1,547,103	8'60	16'94	22'67	32'18	8'82	10'78	99'99	4'22	95'77
Average (weighted) for North India											
North India . .	32,563	28,861,908	11'18	16'58	22'49	32'24	10'16	12'19	104'84	2'77	102'07
Malabar Wynaad and Nilgiri Wynaad											
Malabar Wynaad .	..	..	..	..	..	..	..	..	..	..	..
Nilgiri Wynaad .	..	..	..	..	..	..	..	..	..	..	..
Madras . . .	..	..	..	..	..	..	..	..	..	..	..
T. C. State . .	300	256,282	25'64	24'56	15'34	38'17	9'34	5'36	118'41	9'90	108'51
Coorg . . .	..	..	..	..	..	..	..	..	..	..	..
Mysore . . .	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for South India											
South India . .	300	256,282	25'64	24'56	15'34	38'17	9'34	5'36	118'41	9'90	108'51
Average (weighted) cost of Production for All India											
All India . . .	32,863	29,118,190	11'31	16'67	22'41	32'29	10'14	12'12	104'94	2'83	102'11

ANNEXURE XXXVII—*contd.*

1950

*Outside Managing Agents Control :
Private Ltd., Indian.*

1	2	3	4	5	6	7	8	9	10	11	12
Assam . . .	3,398	2,475,915	17.59	13.31	18.29	32.28	9.38	11.84	102.69	1.30	101.39
Cachar . . .	..	..	..	..	..	..	..	..	..	..	..
Dooars . . .	586	396,655	21.84	19.67	39.02	35.31	10.27	7.18	133.29	0.68	132.01
Darjeeling . . .	..	..	..	..	..	..	..	..	..	..	..
Tripura . . .	..	..	..	..	..	..	..	..	..	..	..
Bihar . . .	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for North India . . .	3,984	2,872,570	18.17	14.18	21.16	32.70	9.50	11.20	106.91	1.22	105.69
Malabar Wynaad and Nilgiri Wynaad . . .	..	..	..	..	..	..	..	..	..	..	..
Madras . . .	267	118,951	45.19	12.57	10.02	53.29	12.70	10.72	144.49	..	144.49
T. C. State . . .	..	..	..	..	..	..	..	..	..	..	..
Coorg . . .	..	..	..	..	..	..	..	..	..	..	..
Mysore . . .	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for South India . . .	267	118,951	45.19	12.57	10.02	53.29	12.70	10.72	144.49	..	144.49

ANNEXURE XXXVII—*contd.*
1950—*Concl.*

1	2	3	4	5	6	7	8	9	10	11	12
Average (weighted) cost of Production for All India											
India	4,251	2,991,521	19'25	14'12	20'72	33'52	9'63	11'18	108'42	1'17	107'25
1951											
Assam	4,246	3,197,226	20'88	13'11	20'40	36'00	9'24	14'80	114'43	0'70	113'73
Cachar	..	..	..	..	..	..	..	..	..	..	..
Dooars	596	379,546	26'90	18'69	37'16	37'21	6'15	7'78	133'89	0'21	133'68
Darjeeling	..	..	..	..	..	..	..	..	..	..	..
Tripura	..	..	..	..	..	..	..	..	..	..	..
Bihar	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for North India											
North India	4,842	3,576,772	21'70	13'83	22'46	36'40	8'95	14'11	117'45	0'65	116'80
Malabar Wynaad and Nilgiri Wynaad											
Madras	267	126,647	53'33	12'73	10'02	55'28	13'87	7'62	152'85	..	152'85
T. C. State	..	..	..	..	..	..	..	..	..	..	..
Coorg	..	..	..	..	..	..	..	..	..	..	..
Mysore	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for South India											
South India	267	126,647	53'33	12'73	10'02	55'28	13'87	7'62	152'85	..	152'85
Average (weighted) cost of Production for All India											
All India	5,109	3,703,419	22'78	13'79	22'03	37'04	9'12	13'89	118'65	0'63	118'02

ANNEXURE XXXVII—*contd.*

1952

I	2	3	4	5	6	7	8	9	10	11	12
Assam . . .	4,291	2,854,688	23·92	17·86	24·24	39·93	9·37	13·36	128·68	0·30	128·38
Cachar . . .	..	..	..	..	..	..	..	..	..	..	..
Dooars . . .	523	327,997	23·43	21·74	46·44	39·57	5·88	6·23	143·29	..	143·29
Darjeeling . . .	..	..	..	..	..	..	..	..	..	..	..
Tripura . . .	..	..	..	..	..	..	..	..	..	..	..
Bihar . . .	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for North India . .	4,814	3,182,685	23·86	18·25	26·55	39·86	9·00	12·62	130·14	0·27	129·87
Malabar Wynaad and Nilgiri Wynaad .	..	..	..	..	..	..	..	..	..	..	..
Madras . . .	267	118,520	43·21	16·40	16·63	63·15	11·73	8·74	159·86	..	159·86
T. C. State . . .	..	..	..	..	..	..	..	..	..	..	..
Coorg . . .	..	..	..	..	..	..	..	..	..	..	..
Mysore . . .	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for South India . .	267	118,520	43·21	16·40	16·63	63·15	11·73	8·74	159·86	..	159·86

ANNEXURE XXXVII—*contd.*
1952—*concl.*

1	2	3	4	5	6	7	8	9	10	11	12
1953											
Average (weighted) cost of Production for All India . .	5,081	3,301,203	24'55	18'18	26'19	40'70	9'09	12'48	131'19	0'26	130'93
Assam . . .	4,338	3,343,790	15'60	16'06	17'75	29'72	8'29	14'73	102'15	1'55	100'60
Cachar . . .	..	..	..	..	..	..	..	..	..	..	..
Dooars . . .	523	346,100	24'46	17'18	40'06	33'56	4'67	6'04	125'97	1'15	124'82
Darjeeling . . .	..	..	..	..	..	..	..	..	..	..	..
Triura . . .	..	..	..	..	..	..	..	..	..	..	..
Bihar . . .	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for North India . .	4,861	3,689,890	16'43	16'17	19'84	30'03	7'95	13'91	104'33	1'52	102'81
Malabar Wynaad and Nilgiri Wynaad . .	..	..	..	..	..	..	..	..	..	..	..
Madras . . .	267	129,410	27'65	21'91	15'56	61'77	11'96	10'86	149'71	..	149'71
T. C. State . . .	..	..	..	..	..	..	..	..	..	..	..
Mysore . . .	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for South India . .	267	1,29,410	27'65	21'91	15'56	61'77	11'96	10'86	149'71	..	149'71
Average (weighted) cost of Production for All India . .	5,128	3,819,300	16'81	16'36	19'69	31'10	8'09	13'81	105'86	1'47	104'39

ANNEXURE XXXVII—contd.

1950

Outside Managing Agents Control ordinary :
Public Ltd., Non-Indian

I	2	3	4	5	6	7	8	9	10	11	12
Madras . . .	443	301,501	27.13	22.78	14.73	45.41	9.57	4.68	124.30	3.60	120.70
Average (weighted) for South India and All India . . .	443	301,501	27.13	22.78	14.73	45.41	9.57	4.68	124.30	3.60	120.70
1951											
Madras . . .	443	296,263	28.86	25.19	13.55	39.88	15.84	7.91	131.23	2.44	128.79
Average (weighted) for South India and All India . . .	443	296,263	28.86	25.19	13.55	39.88	15.84	7.91	131.23	2.44	128.79
1952											
Madras . . .	443	365,550	26.28	25.49	10.46	38.74	14.42	7.67	123.06	2.78	120.28
Average (weighted) for South India and All India . . .	443	365,550	26.28	25.49	10.46	38.74	14.42	7.67	123.06	2.78	120.28
1953											
Madras . . .	443	336,980	26.50	26.94	10.69	44.11	12.91	9.34	130.49	..	130.49
Average (weighted) for South India and All India . . .	443	336,980	26.50	26.94	10.69	44.11	12.91	9.34	130.49	..	130.49

ANNEXURE XXXVII—*contd.*
1950

Outside Managing Agents Control :
Private Ltd, Non-Indian

I	2	3	4	5	6	7	8	9	10	11	12
Darjeeling . .	345	134,206	19.30	20.96	49.58	69.92	13.99	22.67	196.42	..	196.42
Average (weighted) for North India . .	345	134,206	19.30	20.96	49.58	69.92	13.99	22.67	196.42	..	196.42
Malabar Wynaad and Nilgiri Wynaad .	3,274	1,981,377	23.55	23.14	9.01	70.18	9.77	3.91	139.56	..	139.56
Average (weighted) for South India . .	3,274	1,981,377	23.55	23.14	9.01	70.18	9.77	3.91	139.56	..	139.56
Average (weighted) cost of Production for All India . .	3,619	2,115,583	23.29	23.01	11.58	70.13	10.04	5.10	143.14	..	143.14
Darjeeling . .	345	136,920	16.29	25.26	37.13	55.09	13.84	20.61	168.22	..	168.22
Average (weighted) for North India . .	345	136,920	16.29	25.26	37.13	55.09	13.84	20.61	168.22	..	168.22

1951

ANNEXURE XXXVII—*contd.*

1951—concl'd.

1	2	3	4	5	6	7	8	9	10	11	12
Malabar Wynaad and Nilgiri Wynaad .	3,264	2,050,255	28.39	22.46	10.92	74.28	9.35	3.16	148.56	..	148.56
Average (weighted) for South India . .	3,264	2,050,255	28.39	22.46	10.92	74.28	9.35	3.16	148.56	..	148.56
Average (weighted) Cost of Production for all India . .	3,609	2,187,175	27.64	22.63	12.56	73.06	9.63	4.25	149.77	..	149.77
1952											
Darjeeling . .	345	143,616	14.30	18.13	30.30	47.12	13.07	19.99	142.91	..	142.91
Average (Weighted) for North India . .	345	143,616	14.30	18.13	30.30	47.12	13.07	19.99	142.91	..	142.91

ANNEXURE XXXVII—*contd.*
1952

I	2	3	4	5	6	7	8	9	10	11	12
Malabar Wynaad and Nilgiri Wynaad .	3,274	1,952,159	30.94	24.12	9.58	75.67	8.58	5.07	153.96	..	153.96
Average (weighted) for South India .	3,274	1,952,159	30.94	24.12	9.58	75.67	8.58	5.07	153.96	..	153.96
Average (weighted) cost of Production for All India .	3,619	2,095,775	29.80	23.71	11.00	73.71	8.89	6.08	153.18	..	153.18
1953											
Darjeeling .	345	126,116	12.04	20.47	33.91	55.90	11.41	19.71	153.44	..	153.44
Average (weighted) for North India .	345	126,116	12.04	20.47	33.91	55.90	11.41	19.71	153.44	..	153.44
Malabar Wynaad and Nilgiri Wynaad .	3,276	2,329,171	25.90	23.01	9.80	66.45	6.53	2.67	134.36	..	134.36
Average (weighted) for South India .	3,276	2,329,171	25.90	23.01	9.80	66.45	6.53	2.67	134.36	..	134.36
Average (weighted) cost of Production for All India .	3,621	2,455,287	25.19	22.88	11.04	65.92	6.78	3.55	135.35	..	135.35

ANNEXURE XXXVII—*contd.*
1950

*Proprietary and Partnership concerns:
Indian.*

1	2	3	4	5	6	7	8	9	10	11	12
Assam	3,673	3,015,070	45.24	11.60	29.43	29.66	7.29	9.24	132.46	0.59	121.87
Cachar	1,415	487,546	27.76	15.19	28.29	45.84	8.69	6.63	132.40	0.15	132.25
Dooars	4,148	3,767,616	17.82	16.03	22.42	29.77	8.61	8.68	103.33	0.42	102.91
Darjeeling	1,165	318,168	38.23	14.98	48.27	41.74	11.01	15.78	170.01	0.20	169.81
Tripura	..	..	..	..	..	..	..	..	..	..	..
Bihar	..	..	..	..	..	..	..	..	..	..	..
Average (awweighted) for North India	10,401	7,588,400	30.20	14.17	26.67	31.26	8.19	9.07	119.56	0.46	119.10
Malabar Wynaad and Nilgiri Wynaad	..	..	..	..	..	..	..	..	..	..	..
Madras	149	36,370	95.25	18.18	41.05	14.75	12.66	11.34	193.23	6.69	186.54
T. C. State	1,023	431,838	39.45	9.65	22.82	33.59	8.74	4.99	119.24	1.16	118.08
Coorg	..	..	..	..	..	..	..	..	..	..	..
Mysore	325	180,986	10.79	..	27.73	23.05	..	0.06	61.63	..	61.63
Average (weighted) for South India	1,497	649,194	34.59	7.44	25.21	29.59	6.52	3.98	107.33	1.15	106.18

ANNEXURE XXXVII—contd.
1950—Concl'd.

I	2	3	4	5	6	7	8	9	10	11	12
Average (weighted) Cost of Production for All India											
	11,898	8,237,594	30.55	13.64	26.54	31.13	8.06	8.67	118.59	0.52	118.07
1951											
Assam	3,553	3,311,921	46.77	12.41	31.08	32.93	7.77	11.49	142.45	0.81	141.64
Cachar	1,424	494,267	35.22	16.49	33.57	38.24	6.99	5.12	135.63	0.13	135.50
Dooars	4,111	3,954,551	18.16	15.48	25.35	30.21	7.30	8.16	104.66	0.68	103.98
Darjeeling	1,165	252,692	38.31	18.22	54.93	53.67	15.13	21.34	201.60	1.54	200.06
Tripura	..	..	..	..	..	..	..	..	..	..	..
Bihar	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for North India											
	10,253	8,013,431	31.67	14.36	29.16	32.57	7.73	9.76	125.25	0.73	124.52
Malabar Wynaad and Nilgiri Wynaad											

Madras	149	38,001	91.80	19.42	59.50	11.11	15.86	11.65	209.34	7.19	202.15
T. C. State	1,074	560,992	36.88	11.28	26.54	34.11	9.52	5.90	124.23	1.66	122.57
Coorg	..	..	..	..	..	..	..	..	..	..	..
Mysore	330	227,263	8.54	..	29.07	25.11	..	0.07	62.79	..	62.79
Average (weighted) for South India											
	1,553	826,256	31.61	8.55	28.76	30.58	7.19	4.56	111.25	1.46	109.79
Average (weighted) cost of Production for All India											
	11,806	8,839,687	31.67	13.82	29.12	32.38	7.67	9.28	123.94	0.79	123.15

ANNEXURE XXXVII—*contd.*

1952

1	2	3	4	5	6	7	8	9	10	11	12	
Assam	.	3,625	3,685,719	38.76	13.83	28.71	29.12	7.41	10.81	128.64	0.78	127.86
Cachar	.	1,349	420,050	36.75	22.73	35.75	44.25	5.85	3.24	148.57	0.18	148.39
Dooars	.	4,215	3,403,518	16.35	16.42	28.30	29.69	7.32	6.68	104.76	0.24	104.52
Darjeeling	.	1,183	174,861	48.57	23.48	36.95	58.27	10.68	17.95	195.90	3.93	191.97
Tripura
Bihar
Average (weighted). for North India	.	10,372	7,684,148	28.93	15.68	29.12	30.87	7.36	8.73	120.69	0.58	120.11
Malabar Wynaad and Nilgiri Wynaad
Madras	.	412	240,730	44.63	24.96	23.63	25.07	11.84	4.93	135.06	1.59	133.47
T. C. State	.	1,078	521,583	41.16	15.19	24.12	26.58	7.08	5.80	119.93	0.32	119.61
Coorg
Mysore	.	334	202,990	11.46	..	35.11	28.87	..	0.06	75.50	..	75.50
Average (weighted) for South India	.	1,824	965,303	35.78	14.43	26.31	26.68	6.78	4.38	114.36	1.57	113.79

ANNEXURE XXXVII—contd.

1950

Proprietary and Partnership concerns:
Non-Indian.

1	2	3	4	5	6	7	8	9	10	11	12
Assam . . .	1,767	1,390,226	33.62	21.66	13.69	31.56	11.01	13.79	125.33	3.67	121.66
Cachar . . .	..	..	..	..	..	..	..	..	..	..	..
Dooars . . .	831	514,968	13.88	20.78	15.46	31.27	8.95	25.92	116.26	8.42	107.84
Darjeeling . . .	..	..	..	..	..	..	..	..	..	..	..
Tripura . . .	..	..	..	..	..	..	..	..	..	..	..
Bihar . . .	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for North India . . .	2,598	1,905,194	28.28	21.42	14.18	31.48	10.45	17.08	122.89	4.95	117.94
Malabar Wynaad and Nilgiri Wynaad . . .	..	..	..	..	..	..	..	..	..	..	..
Madras . . .	1,820	1,175,345	29.95	26.24	13.95	44.21	9.39	4.91	128.65	2.11	126.54
T. C. State . . .	..	229,959	7.71	9.24	8.02	19.38	..	..	44.35	..	44.35
Coorg . . .	..	..	..	..	..	..	..	..	..	..	..
Mysore . . .	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for South India . . .	1,820	1,405,304	26.31	23.45	13.00	40.14	7.85	4.11	114.86	1.76	113.10

ANNEXURE XXXVII—contd.
1950—Concl'd.

I	2	3	4	5	6	7	8	9	10	11	12
Average (weighted) cost of Production for All India											
	4,418	3,310,498	27.44	22.28	13.68	35.16	9.35	11.57	119.48	3.60	115.88
1951											
Assam	1,767	1,718,996	31.41	22.31	13.10	20.08	12.52	19.86	125.28	1.98	123.30
Cachar . . . . .	..	..	..	..	..	..	..	..	..	..	..
Dooars	823	519,856	13.22	19.86	14.38	32.39	9.89	28.73	118.47	8.42	110.05
Darjeeling . . . . .	..	..	..	..	..	..	..	..	..	..	..
Tripura . . . . .	..	..	..	..	..	..	..	..	..	..	..
Bihar . . . . .	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for North India											
	2,590	2,238,852	27.20	21.75	13.39	27.55	11.91	21.92	123.70	3.47	120.23
Malabar Wynaad and Nilgiri Wynaad											
Madras	1,828	1,467,240	25.28	27.37	13.38	36.36	9.60	4.72	116.71	1.67	115.04
T. C. State . . . . .	..	228,734	9.43	13.28	7.75	27.21	0.12	..	57.79	..	57.79
Coorg . . . . .	..	..	..	..	..	..	..	..	..	..	..
Mysore . . . . .	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for South India											
	1,828	1,695,974	23.14	25.46	12.64	35.13	8.32	4.09	108.77	1.44	107.33
Average (weighted) cost of Production for All India											
	4,418	3,934,826	25.45	23.35	13.06	30.81	10.36	14.23	117.26	2.59	114.67

ANNEXURE XXXVII—*contd.*

1952

1	2	3	4	5	6	7	8	9	10	11	12
Assam . . .	1,767	1,470,518	34.29	24.20	10.88	28.12	12.16	19.30	134.95	1.17	133.78
Cachar . . .	..	..	..	..	..	..	..	..	..	..	..
Dooars . . .	823	495,689	13.45	19.25	19.15	29.52	8.09	27.49	115.95	1.63	114.32
Darjeeling . . .	..	..	.	..	..	..	..	..	..	..	..
Tripura . . .	..	..	..	..	..	..	..	..	..	..	..
Bihar . . .	..	..	..	..	..	..	..	..	..	..	..
<hr/>											
Average (weighted) for North India . .	2,590	1,966,207	29.05	23.01	17.19	28.46	11.13	21.37	130.21	1.29	128.92
<hr/>											
Malabar Wynaad and Nilgiri Wynaad . .	..	..	..	..	..	..	..	..	..	..	..
Madras . . .	1,841	1,325,811	28.86	29.75	13.37	48.32	10.70	5.02	136.02	3.63	132.39
T. C. State . . .	..	212,820	12.75	14.13	14.50	19.22	0.12	..	60.72	..	60.72
Coorg . . .	..	..	..	..	..	..	..	..	..	..	..
Mysore . . .	..	..	..	..	..	..	..	..	..	..	..
<hr/>											
Average (weighted) for South India . .	1,841	1,538,631	26.63	27.59	13.53	44.29	9.24	4.33	125.61	3.13	122.48

ANNEXURE XXXVII—*contd.*
1952—*contd.*

1	2	3	4	5	6	7	8	9	10	11	12
Average (weighted) cost of Production for All India											
	4.431	35,04,838	27.99	25.02	15.58	35.42	10.30	13.88	128.19	2.10	126.09
1953											
Assam	1,767	1,365,794	39.69	23.91	15.96	34.14	12.68	25.85	152.23	3.51	148.73
Cachar . . . . .	..	..	..	..	..	..	..	..	..	..	..
Doors	823	473,586	10.86	17.39	19.08	34.31	9.37	28.16	119.17	10.61	108.56
Darjeeling . . . . .	..	..	..	..	..	..	..	..	..	..	..
Tripura . . . . .	..	..	..	..	..	..	..	..	..	..	..
Bihar . . . . .	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for North India											
	2,590	1,839,380	32.27	22.23	16.77	34.19	11.82	26.45	143.73	5.34	138.39
Malabar Wynaad and Nilgiri Wynaad . . . . .	..	..	..	..	..	..	..	..	..	..	..
Madras	1,858	1,651,170	28.46	27.73	13.57	37.31	11.65	5.30	124.02	2.12	121.90
T. C. State . . . . .	..	127,810	10.57	14.99	12.04	29.30	0.09	..	66.99	..	66.99
Coorg . . . . .	..	..	..	..	..	..	..	..	..	..	..
Mysore . . . . .	..	..	..	..	..	..	..	..	..	..	..
Average (weighted) for South India											
	1,858	1,778,980	27.17	26.82	13.46	36.74	10.82	4.91	119.92	1.97	117.95
Average (weighted) cost of Production for All India											
	4,448	3,618,360	29.76	24.48	15.14	35.44	11.33	15.87	132.02	3.68	128.34

SOURCE:—Returns from estates.

ANNEXURE XXXVIII

Table showing itemwise cost of production according to types of management.

A.-1. General field works

(In rupees per 100 lbs.)

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)	13.54	14.60	15.49	15.01
<i>Non-Indian Managing Agents Control:</i>				
Non-Indian	13.33	15.11	15.89	13.59
Partly Indian and Partly Non-Indian	10.98	11.84	12.87	11.54
Indian	19.78	20.89	18.66	13.99
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian	15.10	15.22	9.82	14.02
Private Ltd. Non-Indian	12.61	13.42	13.79	11.51
<i>Proprietary and Partnership concerns:</i>				
Non-Indian	11.80	10.16	12.06	14.31
<i>Indian Managing Agents Control :</i>				
Indian	11.77	12.66	13.47	12.33
Partly Indian and Partly Non-Indian	10.29	10.49	10.00	9.68
<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	10.73	13.34	13.97	9.42
Private Ltd. Indian	15.13	15.54	15.81	12.40
<i>Proprietary and Partnership concerns:</i>				
Indian	18.16	19.17	17.56	16.92

A. 2. Filling in vacancies

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)	0.93	1.08	1.11	0.96
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	0.84	1.08	1.10	0.85
Partly Indian and Partly Non-Indian	0.78	0.87	0.99	0.90
Indian	1.84	1.50	4.93	0.92

ANNEXURE XXXVIII—*contd.*

(In rupees per 100 lbs.)

Type of Ownership/Management	1950	1951	1952	1953
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian	0.64	0.30	0.22	0.51
Private Ltd. Non-Indian	1.38	1.79	2.12	1.46
<i>Proprietary and Partnership concerns:</i>				
Non-Indian	0.87	0.61	0.48	0.69
<i>Indian Managing Agents Control :</i>				
Indian	0.56	0.70	0.58	0.56
Partly Indian and Partly Non-Indian	0.96	0.98	0.92	0.76
<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	0.51	0.66	0.67	0.42
Private Ltd. Indian	0.71	0.68	0.34	0.47
<i>Proprietary and Partnership concerns:</i>				
Indian	1.22	1.46	1.56	1.53

A. 3. *Manuring*

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>				
	7.40	7.62	8.67	6.26
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	5.86	7.35	7.51	3.46
Partly Indian and Partly Non-Indian	5.86	7.09	7.63	5.55
Indian	5.14	12.21	1.29	1.95
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian	11.35	13.23	15.73	11.76
Private Ltd. Non-Indian	8.19	9.89	10.54	9.00
<i>Proprietary and Partnership concerns:</i>				
Non-Indian	9.04	8.72	10.64	11.02
<i>Indian Managing Agents Control :</i>				
Indian	5.24	5.78	0.71	4.09
Partly Indian and Partly Non-Indian	7.21	7.71	7.80	5.16
<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	2.84	3.89	3.92	1.41
Private Ltd. Indian	3.38	6.47	8.34	3.80
<i>Proprietary and Partnership concerns:</i>				
Indian	5.13	4.70	4.82	3.78

ANNEXURE XXXVIII—*contd.*A. 4. *Spraying and dusting*

(In rupees per 100 lbs.)

Type of Ownership /Management	1950	1951	1952	1953
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.).	0·33	0·41	0·75	0·75
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	0·29	0·34	0·39	0·31
Partly Indian and Partly Non-Indian	0·35	0·51	0·68	0·94
Indian . . . . .	..	..	..	..
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian . . . . .	..	..	..	..
Private Ltd. Non-Indian	0·24	1·77	2·73	2·54
<i>Proprietary and Partnership Concerns :</i>				
Non-Indian	0·08	0·07	0·06	0·05
<i>Indian Managing Agents Control :</i>				
Indian	0·35	0·50	0·79	0·79
Partly Indian and Partly Non-Indian	0·50	0·44	0·47	0·39
<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	0·05	0·08	0·08	0·04
Private Ltd. Indian		0·03	0·03	0·07
<i>Proprietary and Partnership concerns :</i>				
Indian	0·57	0·63	0·73	0·48

A. 5. *Other pest control measures*

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies:</i> (Controlled by Managing Agents/Secretaries, etc.).	0·23	0·25	0·31	0·32
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	0·24	0·24	0·22	0·17
Partly Indian and Partly Non-Indian	0·18	0·25	0·21	0·24
Indian . . . . .	..	..	..	..
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian	0·04	0·12	0·51	0·21
Private Ltd. Non-Indian	0·87	0·76	0·62	0·68
<i>Proprietary and Partnership concerns :</i>				
Non-Indian	0·37	0·30	0·52	0·42

ANNEXURE XXXVIII—*contd.*

(In rupees per 100 lbs.)

Type of Ownership/Management	1950	1951	1952	1953
<i>Indian Managing Agents Control :</i>				
Indian	0·56	0·52	0·64	0·56
Partly Indian and Partly Non-Indian .	0·10	0·13	0·49	0·21
<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	0·02	0·06	0·05	0·02
Private Ltd. Indian	0·03	0·04	0·02	0·08
<i>Proprietary and Partnership concerns :</i>				
Indian	4·66	4·74	4·26	4·40

B. Charges for gathering crop

B. 6. *Plucking*

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.).</i>				
	17·63	17·97	20·21	19·68
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	15·27	16·83	19·86	18·75
Partly Indian and Partly Non-Indian .	15·12	16·45	18·10	18·17
Indian	26·69	25·79	25·56	22·86
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian	22·08	23·88	24·77	26·04
Private Ltd. Non-Indian	22·15	21·85	23·06	22·27
<i>Proprietary and Partnership concerns :</i>				
Non-Indian	16·21	17·04	19·89	20·28
<i>Indian Managing Agents Control :</i>				
Indian	14·14	14·55	16·29	16·42
Partly Indian and Partly Non-Indian .	13·14	15·32	15·95	15·81
<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	15·62	17·22	19·60	16·27
Private Ltd. Indian	15·27	11·97	15·82	14·51
<i>Proprietary and Partnership concerns :</i>				
Indian	12·27	12·32	14·02	13·57

ANNEXURE XXXVIII—*contd.**B. 7 Other crop gathering charges*

(In rupees per 100 lbs.)

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)	1·50	1·67	1·76	1·61
<i>Non-Indian Managing Agents Control:</i>				
Non-Indian	0·64	0·71	0·69	0·52
Partly Indian and Partly Non-Indian	1·61	1·85	1·92	1·73
Indian	3·26	3·66	3·39	3·55
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian	0·70	1·31	0·72	0·91
Private Ltd. Non-Indian	0·85	0·78	0·65	0·60
<i>Proprietary and Partnership concerns:</i>				
Non-Indian	0·79	0·72	0·89	0·92
<i>Indian Managing Agents Control :</i>				
Indian	1·39	1·45	1·53	1·59
Partly Indian and Partly Non-Indian	0·70	0·91	0·87	0·81
<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	0·46	0·46	0·48	0·39
Private Ltd. Indian	1·85	1·82	2·39	1·85
<i>Proprietary and Partnership concerns:</i>				
Indian	0·56	0·53	0·75	0·81

C. Manufacture

C. 8 Salary and wages of factory staff

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)	1·27	1·32	1·52	1·57
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	1·46	1·63	1·87	1·75
Partly Indian and Partly Non-Indian	1·15	1·26	1·35	1·37
Indian	2·07	1·81	2·29	1·86
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian	0·79	0·79	0·66	0·73
Private Ltd. Non-Indian	2·44	2·51	2·59	2·34
<i>Proprietary and Partnership concerns:</i>				
Non-Indian	1·03	1·13	1·34	1·46

ANNEXURE XXXVIII—*contd.*

(In rupees per 100 lbs.)

Type of Ownership/Management	1950	1951	1952	1953
<i>Indian Managing Agents Control :</i>				
Indian	1'92	2'05	2'32	2'28
Partly Indian and Partly Non-Indian .	1'45	1'63	1'88	2'03
<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	3'60	5'63	5'13	3'76
Private Ltd. Indian	1'90	2'05	2'69	2'13
<i>Proprietary and Partnership concerns:</i>				
Indian	2'76	2'89	3'35	3'30

C. 8(a)Wages—factory labour

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>				
	4'41	4'76	5'33	4'89
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	4'37	4'72	5'32	4'57
Partly Indian and partly Non-Indian	3'85	4'09	4'60	4'12
Indian	4'76	3'58	4'34	6'98
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian	5'34	5'40	5'16	4'30
Private Ltd. Non-Indian	2'25	2'31	2'20	2'29
<i>Proprietary and Partnership concerns:</i>				
Non-Indian	3'35	3'09	4'24	4'40
<i>Indian Managing Agents Control :</i>				
Indian	3'63	3'59	3'90	3'54
Partly Indian and Partly Non-Indian .	3'60	4'48	4'94	4'75
<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	5'33	5'96	6'13	4'78
Private Ltd. Indian	5'21	5'26	6'74	5'54
<i>Proprietary and Partnership concerns:</i>				
Indian	5'94	5'60	5'98	5'84

ANNEXURE XXXVIII—*contd.*

C. 9 Coal and other fuel, power and lighting

(In rupees per 100 lbs.)

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)	4.43	4.58	5.82	5.52
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	5.52	6.41	7.05	6.03
Partly Indian and Partly Non-Indian	5.11	5.46	6.30	5.79
Indian	5.39	4.84	6.48	5.26
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian	2.15	2.57	2.84	3.94
Private Ltd. Non-Indian	3.67	3.00	2.99	2.40
<i>Proprietary and Partnership concerns:</i>				
Non-Indian	3.10	2.95	2.75	3.71
<i>Indian Managing Agents Control :</i>				
Indian	4.60	5.13	5.59	5.30
Partly Indian and Partly Non-Indian	5.04	5.09	5.78	5.32
<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	6.64	8.01	8.96	6.55
Private Ltd. Indian	6.53	5.99	7.08	5.98
<i>Proprietary and Partnership concerns:</i>				
Indian	5.95	6.82	7.67	6.42
<i>C-10 Maintenance</i>				
Type of Ownership /Management	1950	1951	1952	1953
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)	3.62	3.99	4.82	4.34
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	2.41	3.31	3.77	2.93
Partly Indian and Partly Non-Indian	2.34	2.94	3.34	2.65
Indian	2.78	4.30	2.85	3.48
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian	5.62	3.10	1.19	1.12
Private Ltd. Non-Indian	2.05	3.60	2.42	3.10
<i>Proprietary and Partnership concerns:</i>				
Non-Indian	2.53	2.45	4.16	3.20

ANNEXURE XXXVIII—*contd.*

(In rupees per 100 lbs.)

Type of Ownership/Management	1950	1951	1952	1953
<i>Indian Managing Agents Control :</i>				
Indian	2.93	3.16	3.01	2.44
Partly Indian and Partly Non-Indian .	3.40	3.03	3.18	2.20
<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	3.51	3.54	3.80	3.05
Private Ltd. Indian.	3.36	4.18	4.66	2.57
<i>Proprietary and Partnership concerns:</i>				
Indian	2.76	3.63	3.01	2.78

C-11 General stores and local purchases

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies: (Controlled by Managing Agents/Secretaries, etc.).</i>				
	2.85	2.90	3.26	2.24
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	2.15	2.58	2.86	1.74
Partly Indian and Partly Non-Indian .	2.72	3.09	3.77	2.20
Indian	0.07	0.03	0.07	0.15
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian	0.26	0.14	0.17	0.23
Private Ltd. Non-Indian.	0.62	0.36	0.33	0.38
<i>Proprietary and Partnership concerns:</i>				
Non-Indian	0.67	0.48	0.73	0.47

<i>Indian Managing Agents Control :</i>				
Indian	1.57	2.29	2.48	2.34
Partly Indian and Partly Non-Indian .	4.84	3.87	4.15	2.77
[<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	1.84	2.22	2.08	1.68
Private Ltd. Indian	1.99	1.94	2.27	1.39
<i>Proprietary and Partnership concerns:</i>				
Indian	3.10	3.76	2.55	2.16

ANNEXURE XXXVIII—*contd.*C-12 *Other charges*

(In rupees per 100 lbs.)

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)	2.01	2.23	2.43	2.18
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	2.04	2.48	2.77	2.55
Partly Indian and Partly Non-Indian	1.64	1.86	2.31	2.00
Indian . . . . .	..	..	..	..
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian	0.57	1.55	0.45	0.38
Private Ltd. Non-Indian	0.56	0.78	0.48	0.53
<i>Proprietary and Partnership concerns:</i>				
Non-Indian	0.49	0.31	0.35	0.34
<i>Indian Managing Agents Control :</i>				
Indian	1.43	1.37	1.85	1.71
Partly Indian and Partly Non-Indian	2.57	2.97	2.71	2.56
<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	2.68	3.32	3.13	2.60
Private Ltd. Indian	1.73	2.61	2.76	2.07
<i>Proprietary and Partnership concerns:</i>				
Indian	5.66	5.95	5.98	4.34

D. General charges
D-13 *Up keep*

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies:</i> (Controlled by Managing Agents/Secretaries, etc.)	7.15	8.14	8.37	5.81
<i>Non-Indian Managing Agents Control:</i>				
Non-Indian	10.11	11.85	11.33	8.97
Partly Indian and Partly Non-Indian	5.93	6.85	7.60	5.61
Indian	1.93	5.94	2.78	7.46
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian	5.50	3.39	4.69	4.98
Private Ltd. Non-Indian	4.09	4.87	6.00	4.96
<i>Proprietary and Partnership concerns:</i>				
Non-Indian	5.43	4.51	4.31	4.05

ANNEXURE XXXVIII—*contd.*

(In rupees per 100 lbs.)

Type of Ownership/Management	1950	1951	1952	1953
<i>Indian Managing Agents Control :</i>				
Indian	6.36	6.10	5.97	4.65
Partly Indian and Partly Non-Indian .	5.85	6.54	5.53	3.91
<i>Outside Managing Agents Control:</i>				
Public Ltd. Indian	5.31	6.68	7.13	3.90
Private Ltd. Indian	6.79	8.43	8.60	5.63
<i>Proprietary and Partnership concerns:</i>				
Indian	5.32	4.38	4.03	3.75

D. 14. Recruiting Expenses

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>				
	1.61	1.77	1.67	1.10
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	1.34	1.30	1.45	0.45
Partly Indian and Partly Non-Indian .	1.37	1.41	1.23	0.72
Indian	2.00	1.54	1.76	1.61
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian . . . . .	..	..	..	..
Private Ltd. Non-Indian . . . . .	..	..	..	..
<i>Proprietary and Partnership concerns:</i>				
Non-Indian	0.93	0.79	0.48	0.35

Indian Managing Agents Control :

Indian	1.60	1.38	1.52	1.25
Partly Indian and Partly Non-Indian .	1.56	1.90	2.10	0.66

Outside Managing Agents Control :

Public Ltd. Indian	1.05	1.14	0.84	0.74
Private Ltd. Indian	1.79	2.43	2.50	0.84

Proprietary and Partnership concerns:

Indian	1.29	1.50	0.72	0.64
------------------	------	------	------	------

ANNEXURE XXXVIII--contd.

D. 14 (a) Medical benefits

(In rupees per 100 lbs.)

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries etc.)	3.88	4.02	4.45	4.10
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	3.88	4.18	4.57	4.07
Partly Indian and Partly Non-Indian	3.78	4.01	4.52	4.20
Indian	1.60	1.49	1.35	0.93
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian	1.02	1.14	1.06	1.16
Private Ltd. Non-Indian	3.77	4.06	3.75	3.45
<i>Proprietary and Partnership concerns:</i>				
Non-Indian	3.70	3.89	4.02	4.45
<i>Indian Managing Agents Control :</i>				
Indian	2.28	2.47	2.68	2.35
Partly Indian and Partly Non-Indian	3.96	4.26	5.03	4.09
<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	1.75	2.19	2.29	1.73
Private Ltd. Indian	2.53	3.09	3.73	2.44
<i>Proprietary and Partnership concerns:</i>				
Indian	1.84	1.86	1.92	1.79

D. 14 (b) Other labour benefits

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)	6.31	6.98	7.15	5.82
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	5.17	5.78	6.27	5.45
Partly Indian and Partly Non-Indian	6.78	6.93	7.96	5.09
Indian	0.47	3.01	2.81	2.13
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian	6.64	6.49	4.38	8.38
Private Ltd. Non-Indian	6.70	6.98	7.33	6.50
<i>Proprietary and Partnership concerns:</i>				
Non-Indian	2.63	2.03	2.05	2.01

ANNEXURE XXXVIII—*contd.*

(In rupees per 100 lbs.)

Type of Ownership/Management	1950	1951	1952	1953
<i>Indian Managing Agents Control :</i>				
Indian	5.37	5.83	5.99	4.74
Partly Indian and Partly Non-Indian .	10.89	14.26	13.53	8.99
<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	1.69	2.14	2.05	1.44
Private Ltd. Indian	1.72	2.62	2.73	2.14
<i>Proprietary and Partnership concerns:</i>				
Indian	4.24	5.33	4.21	3.42

D. 15. Bonus to staff

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies* (Controlled by Managing Agents/Secretaries, etc.).</i>				
	0.68	0.62	0.38	0.88
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	0.56	0.47	0.11	0.61
Partly Indian and Partly Non-Indian .	0.41	0.40	0.38	0.43
Indian	0.56	0.48	0.61	0.69
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian	0.76	0.73	..	1.69
Private Ltd. Non-Indian	0.76	1.04	1.06	1.18
<i>Proprietary and Partnership concerns:</i>				
Non-Indian	0.30	0.28	0.41	0.45
<i>Indian Managing Agents Control :</i>				
Indian	1.12	1.26	0.71	1.22
Partly Indian and Partly Non-Indian .	0.30	0.16	0.10	0.29
<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	1.25	1.34	0.57	0.39
Private Ltd. Indian	0.51	0.24	0.34	0.36
<i>Proprietary and Partnership concerns:</i>				
Indian	0.70	0.68	0.38	0.75

ANNEXURE XXXVIII—*contd.**D. 15 (a). Commission to managers and staff*

(In rupees per 100 lbs.)

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)	2.80	1.63	0.95	3.47
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	2.79	1.56	0.34	4.17
Partly Indian and Partly Non-Indian	3.37	2.51	1.68	4.34
Indian . . . . .	..	..	..	..
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian	4.02	2.44	2.78	..
Private Ltd. Non-Indian . . . . .	..	..	..	..
<i>Proprietary and Partnership concerns:</i>				
Non-Indian	2.99	1.72	1.30	2.59
<i>Indian Managing Agents Control :</i>				
Indian	0.70	0.74	0.33	0.72
Partly Indian and Partly Non-Indian	2.71	1.56	0.29	3.40
<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	0.43	0.47	0.14	0.30
Private Ltd. Indian	0.51	0.15	0.02	0.66
<i>Proprietary and Partnership concerns:</i>				
Indian	0.46	0.67	0.43	0.76

D. 16. Bonus to Labour

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)	0.82	0.95	0.84	1.17
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	0.25	0.27	0.17	0.11
Partly Indian and Partly Non-Indian	1.07	1.01	0.98	1.48
Indian	5.34	5.19	4.07	4.22
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian	3.47	4.09	4.68	4.35
Private Ltd. Non-Indian	3.71	4.05	3.18	3.82
<i>Proprietary and Partnership concerns:</i>				
Non-Indian	1.89	1.57	1.72	1.40

ANNEXURE XXXVIII—*contd.*

(In rupees per 100 lbs.)

Type of Ownership/Management	1950	1951	1952	1951
<i>Indian Managing Agents Control :</i>				
Indian	0.89	1.36	1.33	1.36
Partly Indian and Partly Non-Indian .	0.30	0.29	0.18	0.13
<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	0.36	0.40	0.39	0.32
Private Ltd. Indian	0.12	0.09	0.11	0.04
<i>Proprietary and Partnership Concerns:</i>				
Indian	0.58	0.70	0.55	0.73

D. 17. Salaries to Estate

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.).</i>				
	11.56	11.86	13.45	13.82
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	12.18	13.64	15.13	15.09
Partly Indian and Partly Non-Indian .	9.36	10.31	11.31	11.14
Indian	10.62	11.16	14.09	11.03
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian	11.18	11.15	8.77	8.30
Private Ltd. Non-Indian	14.99	14.47	14.19	12.30
<i>Proprietary and Partnership concerns:</i>				
Non-Indian	8.98	8.63	11.56	10.25
<i>Indian Managing Agents Control :</i>				
Indian	6.53	6.56	7.53	6.83
Partly Indian and Partly Non-Indian .	10.72	11.93	14.02	13.21
<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	6.95	8.26	9.07	7.71
Private Ltd. Indian	6.00	7.12	8.54	6.79
<i>Proprietary and Partnership concerns:</i>				
Indian	7.26	7.68	8.01	7.43

ANNEXURE XXXVIII—*contd*D. 17 (a). *Salaries to Head Office*

(In rupees per 100 lbs.)

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries etc.)	1·20	1·14	1·29	1·45
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	0·54	0·61	0·75	0·76
Partly Indian and Partly Non-Indian	1·42	1·50	1·46	1·91
Indian . . . . .	..	..	..	..
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-India . . . . .	..	..	..	..
Private Ltd. Non-Indian	0·33	0·29	0·32	0·21
<i>Proprietary and Partnership concerns :</i>				
Non-Indian	0·69	0·54	0·78	0·72
<i>Indian Managing Agents Control :</i>				
Indian	1·54	1·73	1·73	1·80
Partly Indian and Partly Non-Indian	4·09	4·35	3·87	3·95
<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	1·74	2·13	2·63	2·10
Private Ltd. Indian	1·14	1·50	1·78	1·71
<i>Proprietary and Partnership concerns :</i>				
Indian	1·47	1·40	1·65	1·64

D. 18—*Expenses—Estate*

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling companies</i> (Controlled by Managing Agents/Secretaries, etc.)	3·37	3·60	3·93	4·13
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	3·20	3·68	3·89	3·71
Partly Indian and Partly Non-Indian	2·87	3·46	3·71	3·55
Indian	8·13	8·34	7·72	9·59
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian	11·19	7·23	9·01	10·70
Private Ltd. Non-Indian	9·59	12·13	11·11	11·28
<i>Proprietary and Partnership concerns :</i>				
Non-Indian	3·06	2·48	3·10	3·27

ANNEXURE XXXVIII—*contd.*

(In rupees per 100 lbs.)

Type of Ownership/Management	1950	1951	1952	1953
<i>Indian Managing Agents Control:</i>				
Indian	2.38	3.04	3.10	2.90
Partly Indian and Partly Non-Indian .	2.06	2.47	2.41	2.18
<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	2.72	3.22	3.20	2.52
Private Ltd. Indian	2.82	3.23	3.21	2.65
<i>Proprietary and Partnership concerns:</i>				
Indian	3.03	3.27	3.37	3.30

D. 18 (a) Expenses—head office

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>				
	1.65	1.72	2.42	2.50
<i>Non-Indian Managing Agents Control:</i>				
Non-Indian	2.53	2.96	3.61	3.65
Partly Indian and Partly Non-Indian .	2.10	2.42	2.72	2.50
Indian . . . . .	..	..	..	..
<i>Outside Managing Agents Control:</i>				
Public Ltd. Non-Indian . . . . .	..	..	..	..
Private Ltd. Non-Indian	12.56	12.03	13.89	11.34
<i>Proprietary and Partnership concerns:</i>				
Non-Indian	1.30	1.36	1.97	1.90
<i>Indian Managing Agents Control:</i>				
Indian	3.54	3.24	3.80	3.38
Partly Indian and Partly Non-Indian .	5.36	5.98	6.01	5.53
<i>Outside Managing Agents Control:</i>				
Public Ltd. Indian	4.37	5.12	5.69	4.77
Private Ltd. Indian	1.99	1.59	2.09	1.82
<i>Proprietary and Partnership concerns:</i>				
Indian	2.03	1.67	1.92	1.92

ANNEXURE XXXVIII—*contd.*D. 18 (b) *Depreciation*

(In rupees per 100 lbs.)

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)	1.52	1.99	1.68	3.08
<i>Non-Indian Managing Agents Control:</i>				
Non-Indian	3.24	2.49	3.63	2.61
Partly Indian and Partly Non-Indian	4.49	5.03	6.50	6.38
Indian	15.98	11.81	10.75	9.23
<i>Outside Managing Agents Control:</i>				
Public Ltd. Non-Indian	1.62	3.22	3.38	4.54
Private Ltd. Non-Indian	13.63	13.14	12.87	10.88
<i>Proprietary and Partnership concerns:</i>				
Non-Indian	2.65	2.14	2.93	2.90
<i>Indian Managing Agents Control:</i>				
Indian	2.85	2.87	3.66	3.31
Partly Indian and Partly Non-Indian	9.47	6.58	7.12	9.76
<i>Outside Managing Agents Control:</i>				
Public Ltd. Indian	2.85	3.16	4.43	3.83
Private Ltd. Indian	6.94	6.08	6.81	5.23
<i>Proprietary and Partnership concerns:</i>				
Indian	2.84	3.12	3.06	3.94

E. PACKING

E. 19. *Cost of tea chests*

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)	10.42	10.15	10.99	10.07
<i>Non-Indian Managing Agents Control:</i>				
Non-Indian	10.86	10.32	11.19	9.96
Partly Indian and Partly Non-Indian	9.94	10.37	10.29	9.75
Indian	8.60	5.79	2.54	1.42
<i>Outside Managing Agents Control:</i>				
Public Ltd. Non-Indian	9.05	15.32	13.89	12.39
Private Ltd. Non-Indian	9.62	9.19	8.27	6.10
<i>Proprietary and Partnership concerns:</i>				
Non-Indian	7.38	8.35	8.09	8.68

ANNEXURE XXXVIII—*contd.*

(In rupees per 100 lbs.)

Type of Ownership/Management	1950	1951	1952	1953
<i>Indian Managing Agents Control:</i>				
Indian	9·23	9·36	8·93	8·77
Partly Indian and Partly Non-Indian .	9·63	9·73	9·50	9·48
<i>Outside Managing Agents Control:</i>				
Public Ltd. Indian	10·41	10·66	10·48	9·76
Private Ltd. Indian	9·37	8·81	8·84	7·88
<i>Proprietary and Partnership concerns :</i>				
Indian	7·62	7·36	6·94	6·61

E. 20 Other materials

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.).</i>				
	0·33	0·33	0·35	0·34
<i>Non-Indian Managing Agents Control:</i>				
Non-Indian	0·31	0·32	0·38	0·33
Partly Indian and Partly Non-Indian .	1·10	1·09	1·16	1·04
Indian	0·06	0·02	0·05	0·01
<i>Outside Managing Agents Control:</i>				
Public Ltd. Non-Indian . . . . .	...	...	...	...
Private Ltd. Non-Indian	0·10	0·13	0·25	0·25
<i>Proprietary and Partnership concerns :</i>				
Non-Indian	0·08	0·31	0·22	0·36
<i>Indian Managing Agents Control:</i>				
Indian	0·32	0·34	0·34	0·19
Partly Indian and Partly Non-Indian .	0·52	0·49	0·36	0·45
<i>Outside Managing Agents Control:</i>				
Public Ltd. Indian	0·10	0·10	0·10	0·07
Private Ltd. Indian	0·04	0·09	0·04	0·04
<i>Proprietary and Partnership concerns :</i>				
Indian	0·08	0·07	0·06	0·05

ANNEXURE XXXVIII—*contd.**E. 21. Labour for packing*

(In rupees per 100 lbs.)

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)	0.55	0.59	0.68	0.64
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	0.38	0.41	0.47	0.41
Partly Indian and Partly Non-Indian	0.63	0.65	0.74	0.67
Indian	0.61	0.78	0.51	0.56
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian	0.52	0.52	0.52	0.52
Private Ltd. Non-Indian	0.31	0.32	0.36	0.44
<i>Proprietary and Partnership concerns :</i>				
Non-Indian	1.75	1.56	1.88	2.20
<i>Indian Managing Agents Control :</i>				
Indian	0.41	0.44	0.42	0.38
Partly Indian and Partly Non-Indian	0.32	0.36	0.41	0.34
<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	0.30	0.30	0.33	0.32
Private Ltd. Indian	0.23	0.22	0.22	0.16
<i>Proprietary and Partnership concerns :</i>				
Indian	0.33	0.22	0.27	0.36

F. 22. Selling Expenses-freight and transport charges

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)	4.84	6.89	6.74	7.46
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	5.03	6.70	6.15	5.76
Partly Indian and Partly Non-Indian	6.51	6.65	7.43	7.61
Indian	2.16	2.36	0.04	0.67
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian	2.71	6.05	5.80	6.27
Private Ltd. Non-Indian	2.99	3.66	4.10	3.12
<i>Proprietary and Partnership concerns :</i>				
Non-Indian	6.89	8.13	8.48	8.44

ANNEXURE XXXVIII—*contd.*

(In rupees per 100 lbs.)

Type of Ownership/Management	1950	1951	1952	1953
<i>Indian Managing Agents Control:</i>				
Indian	4·63	4·96	5·72	5·35
Partly Indian and Partly Non-Indian .	5·64	6·94	6·34	5·98
<i>Outside Managing Agents Control:</i>				
Public Ltd. Indian	4·40	4·72	4·12	3·69
Private Ltd. Indian	5·43	7·50	6·13	5·74
<i>Proprietary and Partnership concerns:</i>				
Indian	3·29	3·80	3·53	3·33

F. 23 Stock and transit insurance

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies: (Controlled by Managing Agents/Secretaries, etc.)</i>				
	0·51	0·69	0·68	0·75
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	1·82	2·05	1·69	1·66
Partly Indian and Partly Non-Indian .	0·73	0·82	0·83	0·82
Indian . . . . .	..	..	..	..
<i>Outside Managing Agents Control :</i>				
Public Ltd. Non-Indian	0·51	0·60	0·55	0·57
Private Ltd. Non-Indian	0·14	0·06	0·09	0·05
<i>Proprietary and Partnership concerns:</i>				
Non-Indian	0·44	0·83	0·93	1·11
<i>Indian Managing Agents Control:</i>				
Indian	0·58	0·53	0·63	0·65
Partly Indian and Partly Non-Indian .	1·33	1·61	1·69	2·01
<i>Outside Managing Agents Control:</i>				
Public Ltd. Indian	0·72	0·84	0·97	0·74
Private Ltd. Indian	0·63	0·92	1·31	0·92
<i>Proprietary and Partnership concerns:</i>				
Indian	0·40	0·61	0·67	0·69

ANNEXURE XXXVIII—*contd.*F. 24. *Forwarding and selling expenses*

(In rupees per 100 lbs.)

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)	2.19	4.78	5.64	6.12
<i>Non-Indian Managing Agents Control:</i>				
Non-Indian	4.21	7.11	6.60	7.73
Partly Indian and Partly Non-Indian	2.53	9.21	7.48	8.04
Indian	0.97	0.57	..	0.17
<i>Outside Managing Agents Control:</i>				
Public Ltd. Non-Indian	1.46	1.00	1.32	1.69
Private Ltd. Non-Indian	1.93	0.48	1.86	0.25
<i>Proprietary and Partnership concerns:</i>				
Non-Indian	3.18	4.46	4.32	5.59
<i>Indian Managing Agent Control:</i>				
Indian	2.60	2.85	2.43	2.70
Partly Indian and Partly Non-Indian	3.38	5.41	4.37	4.98
<i>Outside Managing Agents Control:</i>				
Public Ltd. Indian	4.65	4.76	4.30	5.26
Private Ltd. Indian	3.59	4.81	4.96	5.26
<i>Proprietary and Partnership concerns:</i>				
Indian	3.59	3.66	3.07	3.54

F. 25. *Export quota charges*

Type of Ownership/Management	1950	1951	1952	1953
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries etc.)	0.87	0.60	0.26	1.08
<i>Non-Indian Managing Agents Control:</i>				
Non-Indian	2.20	1.19	0.39	2.37
Partly Indian and Partly Non-Indian	2.63	2.87	1.87	2.94
Indian . . . . .	..	..	..	..
<i>Outside Managing Agents Control:</i>				
Public Ltd. Non-Indian . . . . .	..	0.24	..	0.82
Private Ltd. Non-Indian	0.04	0.04	0.03	0.03
<i>Proprietary and Partnership concerns:</i>				
Non-Indian	1.06	0.81	0.16	0.72
<i>Indian Managing Agents Control:</i>				
Indian	1.34	0.81	0.15	3.00
Partly Indian and Partly Non-Indian	2.10	0.88	0.41	3.09
<i>Outside Managing Agents Control:</i>				
Public Ltd. Indian	1.24	0.55	0.18	2.43
Private Ltd. Indian	1.53	0.66	0.08	1.89
<i>Proprietary and Partnership concerns:</i>				
Indian	1.39	1.21	0.97	2.55

SOURCE:—Returns from estates.

ANNEXURE XXXIX

*Tables showing percentage rise or fall in Major heads of cost of production
in 1950 over 1950 according to type of management*

A. Cultivation

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percent- age rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries, etc.)	22.40	0.90	400
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	20.56	-2.18	-10.6
Partly Indian and Partly Non-Indian	18.25	1.02	5.6
Indian	26.76	-9.90	-37.0
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	27.13	-0.63	-2.3
Private Ltd. Non-Indian	23.29	1.90	8.2
<i>Proprietary and Partnership concerns:</i>			
Non-Indian	22.16	4.33	19.5
<i>Indian Managing Agents Control :</i>			
Indian	18.48	-0.15	-0.8
Partly Indian and Partly Non-Indian	19.06	-2.86	-15.0
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	14.15	-2.84	-20.1
Private Ltd. Indian	19.25	-2.43	-12.6
<i>Proprietary and Partnership concerns:</i>			
Indian	29.74	-2.63	-8.8

B. Plucking and crop gathering

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Per cent- age rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries, etc.)	19.13	2.16	11.3
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	15.91	3.36	21.1
Partly Indian and Partly Non-Indian	16.73	3.17	18.9
Indian	29.95	-3.54	-11.8

ANNEXURE XXXIX—*contd.*

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percent- age rise or fall
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	22.78	4.17	18.3
Private Ltd. Non-Indian	23.00	—0.17	—0.61
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	17.00	4.20	24.7
<i>Indian Managing Agents Control :</i>			
Indian	15.53	2.48	16.0
Partly Indian and Partly Non-Indian	13.84	2.78	20.1
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	16.08	0.58	3.6
Private Ltd. Indian	14.12	2.24	15.9
<i>Proprietary and Partnership concerns :</i>			
Indian	12.83	1.55	12.1

C. Manufacture

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies (Controlled by Managing Agents/ Secretaries, etc.)</i>			
	18.59	2.15	11.6
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	17.95	1.62	9.0
Partly Indian and Partly Non-Indian	16.81	1.32	7.9
Indian	15.07	2.66	17.7
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	14.73	—4.03	—27.4
Private Ltd. Non-Indian	11.39	—0.35	—3.1
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	11.17	2.41	21.6
<i>Indian Managing Agents Control :</i>			
Partly Indian and Partly Non-Indian	20.90	—1.27	—6.1
Indian	16.08	1.56	9.7
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	23.60	—1.18	—5.0
Private Ltd. Indian	20.72	—1.04	—5.0
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	26.17	—1.33	—5.1

ANNEXURE XXXIX—*contd.*

D. General Charges

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries, etc.)	45·62	4·99	10·9
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	51·80	3·10	9·8
Partly Indian and Partly Non-Indian	49·16	4·01	3·2
Indian	54·89	—4·92	—9·0
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	45·40	—1·30	—2·9
Private Ltd. Non-Indian	70·13	—14·21	—20·3
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	35·16	0·27	0·3
<i>Indian Managing Agents Control :</i>			
Indian	39·78	0·09	0·2
Partly Indian and Partly Non-Indian	62·90	—0·19	—0·3
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	33·52	0·80	0·2
Private Ltd. Indian	33·52	—2·40	—7·2
<i>Proprietary and Partnership concerns :</i>			
Indian	31·12	—0·80	—2·6

E. Packing

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries, etc.)	11·30	—0·25	—2·2
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	11·55	—0·85	—7·4
Partly Indian and Partly Non-Indian	11·67	—0·21	—1·8
Indian	9·27	—07·25	—78·2
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	9·57	3·34	34·9
Private Ltd. Non-Indian	10·03	—3·24	—32·3
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	9·21	2·03	22·0

ANNEXURE XXXIX— *contd.*

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1956 over 1950 (in Rs.)	Percentage rise or fall
<i>Indian Managing Agents Control :</i>			
Indian	9.96	—0.62	—6.2
Partly Indian and Partly Non-Indian	10.47	—0.20	—1.9
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	10.81	—0.66	—6.1
Private Ltd. Indian	9.64	—1.56	—16.2
<i>Proprietary and Partnership concerns:</i>			
Indian	8.03	—1.01	—12.6

F. Selling expenses

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies (Controlled by Managing Agents/ Secretaries, etc.)</i>			
	8.41	7.00	83.2
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	13.26	4.26	32.1
Partly Indian and Partly Non-Indian	12.40	7.01	56.5
Indian	3.13	—2.29	—73.2
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	4.68	4.67	99.8
Private Ltd. Non-Indian	5.10	—1.55	—30.4
<i>Proprietary and Partnership concerns:</i>			
Non-Indian	11.57	4.29	37.1
<i>Indian Managing Agents Control :</i>			
Indian	9.15	2.55	27.9
Partly Indian and Partly Non-Indian	12.45	3.61	29.00
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	11.01	1.11	10.1
Private Ltd. Indian	11.18	2.63	23.5
<i>Proprietary and Partnership concerns:</i>			
Indian	8.67	1.44	16.6

SOURCE :—Returns from estates.

ANNEXURE XL

*Statement showing percentage rise or fall in item-wise cost of production
in 1953 over 1950. (According to types of management)*

A. 1. General field works

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries, etc.)	13.54	1.47	10.9
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	13.33	0.6	4.5
Partly Indian and Partly Non-Indian	10.98	0.56	5.1
Indian	19.78	-5.79	-29.3
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	15.10	-1.08	-7.2
Private Ltd. Non-Indian	12.61	-1.10	-8.7
<i>Proprietary and Partnership concerns:</i>			
Non-Indian	11.80	2.51	21.3
<i>Indian Managing Agents Control :</i>			
Indian	11.77	0.56	4.8
Partly Indian and Partly Non-Indian	10.29	-0.61	-5.9
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	10.73	-1.31	-12.2
Private Ltd. Indian	15.13	-2.73	-18.0
<i>Proprietary and Partnership concerns:</i>			
Indian	18.16	-1.24	-6.8

The Sterling companies registered a rise of 11% and the Rupee Non-Indian companies about 5%. In the proprietary non-Indian the rise was maximum at 21%. In the Indian companies there was a fall in all groups excepting Indian companies under Indian Managing Agents which showed a rise of nearly 5%. The maximum fall was in the Director-controlled private Limited companies at 18%.

A. 2. Filling in vacancies

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries, etc.)	0.93	0.3	32.3
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	0.84	0.1	11.9
Partly Indian and Partly Non-Indian	0.78	0.12	15.0
Indian	1.84	-0.92	-50.0

ANNEXURE XL—*conid.*

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	0.64	—0.13	—20.0
Private Ltd. Non-Indian	1.38	0.8	58.0
<i>Proprietary and Partnership concerns:</i>			
Non-Indian	0.87	—0.18	—21.0
<i>Indian Managing Agents Control :</i>			
Indian	0.56	0.00	..
Partly Indian and Partly Non-Indian	0.96	—0.20	—21.0
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	0.51	—0.09	—17.6
Private Ltd. Indian	0.71	—0.24	—34.0
<i>Proprietary and Partnership concerns:</i>			
Indian	1.22	0.31	56.0

In Sterling companies the rise was maximum at 32% and in proprietary Non-Indian companies there was a fall of 21%. In Rupee Non-Indian companies the rise was between 12 to 15%. In the Indian groups there was a fall ranging between 18 to 34%. The proprietary Indian companies alone showing a rise of 56%

A. 3. Manuring

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies : (Controlled by Managing Agents/ Secretaries, etc.)</i>			
	7.40	—1.14	—15.0
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	5.86	—2.40	—41.0
Partly Indian and Partly non-Indian	5.86	—0.31	—5.0
Indian	5.14	—3.19	—62.0
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	11.35	0.41	4.0
Private Ltd. Non-Indian	8.19	0.81	10.0
<i>Proprietary and Partnership concerns:</i>			
Non-Indian	9.04	1.98	22.0

ANNEXURE XL—contd.

Type of Ownership/Management	1950 in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	percentage rise or fall
<i>Indian Managing Agents Control :</i>			
Indian	5.24	—1.15	—22.0
Partly Indian and Partly Non-Indian	7.21	—2.05	—28.0
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	2.84	—1.43	—50.0
Private Ltd. Indian	3.38	0.42	12.0
<i>Proprietary and Partnership concerns :</i>			
Indian	5.13	—1.35	—26.0

With the exception of the proprietary Non-Indian companies where there was a rise of 22%, all other Non-Indian companies showed a fall which ranged between 5 to 40% in Indian companies there was a fall ranging between 22 to 50% excepting in the Private Limited companies where there was a rise of 12%.

Economics under manuring were practised by most or all tea companies, the Sterling and Non-Indian companies to a lesser extent than the Indian companies.

A. 4 Spraying and dusting

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies (Controlled by Managing Agents/ Secretaries, etc.)</i>			
	0.33	0.42	127.0
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	0.29	0.20	69.0
Partly Indian and Partly Non-Indian	0.35	0.59	169.0
Indian . . . . .	..	..	..
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian . . . . .	..	..	..
Private Ltd. Non-Indian	0.24	2.10	875.0
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	0.08	—0.03	—38.0
<i>Indian Managing Agents Control :</i>			
Indian	0.35	0.44	126.0
Partly Indian and Partly Non-Indian	0.50	0.11	22.0
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	0.05	—0.01	—20.0
Private Ltd. Indian . . . . .	..	0.07	..
<i>Proprietary and Partnership concerns :</i>			
Indian	0.57	—0.09	—16.0

Costs under the head rose by 127% in Sterling companies and fell by 38% in the Proprietary Non-Indian companies. In the Rupee Non-Indian companies the rise was between 69 to 169%. In the Indian companies under Indian agency there was an increase of 126% and in the Director controlled Public Limited companies a fall of 20%.

ANNEXURE XL—*contd.*

A. 5. Other pest control measures

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries, etc.)	0.23	0.09	39.0
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	0.24	—0.07	—29.0
Partly Indian and Partly Non-Indian	0.18	0.06	33.0
Indian . . . . .	..	..	..
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	0.04	0.17	425.0
Private Ltd. Non-Indian	0.87	—0.19	—22.0
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	0.37	0.05	14.0
<i>Indian Managing Agents Control :</i>			
Indian	0.56	..	..
Partly Indian and Partly Non-Indian	0.10	0.11	110.0
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	0.02	..	..
Private Ltd. Indian	0.03	0.05	167.0
<i>Proprietary and Partnership concerns :</i>			
Indian	4.66	—0.26	—6.0

In Sterling companies there was a rise of 39% and in the Non-Indian Rupee companies a fall of 29%. Among the Rupee Indian companies the partly Indian and Non-Indian companies showed a rise of 110% and the Private Limited companies showed a rise of 167%.

B. 6. Charges for gathering Crop-plucking

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries, etc.)	17.63	2.05	12.0
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	15.27	3.48	23.0
Partly Indian and Partly Non-Indian	15.12	3.05	20.0
Indian	26.69	—3.83	—14.0
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	22.08	3.06	14.0
Private Ltd. Non-Indian	22.15	0.12	0.5
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	16.21	4.07	25.0

ANNEXURE XL— *contd.*

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Indian Managing Agents Control :</i>			
Indian	14.14	1.28	9.0
Partly Indian and Partly Non-Indian	13.14	1.67	13.0
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	15.62	0.85	5.0
Private Ltd. Indian	12.27	2.24	18.0
<i>Proprietary and Partnership concerns:</i>			
Indian	12.27	1.30	11.0

In the Non-Indian groups the rise was maximum in the proprietary at 25% and Sterling a minimum of 12%. In the Indian groups the rise was maximum in the Partly Indian and Partly Non-Indian at 13% and minimum in the Public Limited at 5%.

B. 7. Other Crop gathering charges

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies (Controlled by Managing Agents/ Secretaries, etc.)</i>			
	1.50	0.11	7.0
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	0.64	—0.12	—19.0
Partly Indian and Partly Non-Indian	1.61	0.12	7.0
Indian	3.26	0.29	9.0
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	0.70	0.21	30.0
Private Ltd. Non-Indian	0.85	—0.25	—29.0
<i>Proprietary and Partnership concerns:</i>			
Non-Indian	0.79	0.13	16.0
<i>Indian Managing Agents Control :</i>			
Indian	1.39	0.20	14.0
Partly Indian and Partly Non-Indian	0.70	0.11	16.0
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	0.46	—0.07	—15.0
Private Ltd. Indian	1.85	..	..
<i>Proprietary and Partnership concerns:</i>			
Indian	0.56	0.25	45.0

In the Non-Indian groups the rise was maximum in the Proprietary at 16% and the Rupee Non-Indian companies showing a fall of 19%. In the Indian groups the Proprietary companies showed a maximum rise of 45% and the Director controlled Public Limited companies a fall of 15%.

ANNEXURE XL—*contd.*

C. 8. Manufacture

Salary and wages of factory staff

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries, etc.)	1.27	0.30	24.0
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	1.46	0.29	20.0
Partly Indian and Partly Non-Indian	1.15	0.22	99.0
Indian	2.07	—0.21	—10.0
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	0.79	—0.06	—8.0
Private Ltd. Non-Indian	2.44	—0.10	4.0
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	1.03	0.43	42.0
<i>Indian Managing Agents Control :</i>			
Indian	1.92	0.36	19.0
Partly Indian and Partly Non-Indian	1.45	0.58	40.0
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	3.60	0.16	4.0
Private Ltd. Indian	1.90	0.23	12.0
<i>Proprietary and Partnership concerns :</i>			
Indian	2.76	0.54	20.0

The maximum rise was in the Rupee Non-Indian and Indian companies at 99% the Sterling companies showing only 24%. In Indian groups the maximum rise was in the Partly Indian and Partly Non-Indian at 40% and the Director controlled Public Limited companies a minimum of 4%.

C. 8. (a) Wages of factory labour

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries, etc.)	4.41	0.48	
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	4.37	0.20	5.0
Partly Indian and Partly Non-Indian	3.85	0.27	7.0
Indian	4.76	2.22	47.0
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	5.34	1.04	19.0
Private Ltd. Non-Indian	2.25	0.04	2.0
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	3.35	1.05	31.0

ANNEXURE XL.—*contd.*

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Indian Managing Agents Control :</i>			
Indian	3.63	—0.09	—2.0
Partly Indian and Partly Non-Indian	3.60	1.15	32.0
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	5.33	—0.55	—10.0
Private Ltd. Indian	5.21	0.33	6.0
<i>Proprietary and Partnership concerns :</i>			
Indian	5.94	—0.10	—2.0

In the Non-Indian groups the Proprietary companies showed a rise of 31% and the Rupee Non-Indian 5%. In the Indian groups there was a fall maximum being Director controlled Public Limited companies at 10%, the Partly Indian and Partly Non-Indian companies a rise of 32%.

C. 9. Coal and other fuel, power and light

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies (Controlled by Managing Agents/ Secretaries, etc.)</i>			
	4.43	1.09	24.6
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	5.52	0.51	9.2
Partly Indian and Partly Non-Indian	5.11	0.68	13.3
Indian	5.39	—0.13	—2.4
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	2.15	1.79	83.3
Private Ltd. Non-Indian	3.67	—1.27	—34.6
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	3.10	0.61	19.7
<i>Indian Managing Agents Control :</i>			
Indian	4.60	0.70	15.2
Partly Indian and Partly Non-Indian	5.04	0.28	5.6
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	6.64	—0.09	—1.35
Private Ltd. Indian	6.53	0.55	8.4
<i>Proprietary and Partnership concerns :</i>			
Indian	5.95	0.47	7.9

In the Non-Indian groups there was a rise of 24% of Sterling companies. In the Non-Indian Rupee companies it ranged as between 9 to 13%.

In the Indian groups the maximum was 15% for companies under Indian Managing Agency.

ANNEXURE XL—contd.

C. 10. Maintenance

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries, etc.)	3.62	0.72	19.9
<i>Rupee Companies:</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	2.41	0.52	21.6
Partly Indian and Partly Non-Indian	2.34	0.31	13.2
Indian	2.78	0.70	25.1
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	5.62	—4.50	—80.1
Private Ltd. Non-Indian	2.05	1.05	51.2
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	2.53	0.67	26.5
<i>Indian Managing Agents Control :</i>			
Indian	2.93	—0.49	—16.7
Partly Indian and Partly Non-Indian	3.40	—1.20	—35.3
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	3.51	—0.46	—13.1
Private Ltd. Indian	3.36	—0.79	—23.5
<i>Proprietary and Partnership concerns :</i>			
Indian	2.76	—0.02	0.7

While maintenance charges fell in all the Indian companies it showed a rise in the Non-Indian group. The rise was maximum in the Non-Indian Proprietary at 26% and about 20% in the Sterling and Non-Indian Rupee companies.

In the Indian group the fall was maximum in the partly Indian and Partly Non-Indian at 35%, while the Proprietary group reported a small rise of 7% in the other groups the fall varied between 13 & 23%.

C. 11. General stores and local purchases

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries, etc.)	2.85	—0.61	—21.4
<i>Rupee Companies:</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	2.15	—0.41	—19.1
Partly Indian and Partly Non-Indian	2.72	—0.52	19.1
Indian	0.07	0.08	114.3
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	0.26	—0.03	—11.5
Private Ltd. Non-Indian	0.62	—0.24	—38.7
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	0.67	—0.20	—29.8

ANNEXURE XL—*contd.*

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Indian Managing Agents Control :</i>			
Indian	1·57	0·77	49·0
Partly Indian and Partly Non-Indian	4·84	—2·07	—42·8
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	1·84	—0·16	—8·7
Private Ltd. Indian	1·99	—0·60	—30·2
<i>Proprietary and Partnership concerns:</i>			
Indian	3·10	—0·94	—30·3

In the Sterling and Rupee Non-Indian group there was a fall ranging between 19% and 21% it was high in the Proprietary Non-Indian at 30%.

In the Indian group the Partly Indian and Partly Non-Indian reported a maximum fall of 43% while the Indian companies showed a rise of 49%.

C. 12. Other charges

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies (Controlled by Managing Agents/ Secretaries, etc.)</i>			
	2·01	0·17	8·5
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	2·04	0·51	25·0
Partly Indian and Partly Non-Indian	1·64	0·36	22·0
Indian . . . . .	..	..	..
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	0·57	—0·19	—33·3
Private Ltd. Non-Indian	0·56	—0·03	—5·4
<i>Proprietary and Partnership concerns:</i>			
Non-Indian	0·49	—0·15	—30·6
<i>Indian Managing Agents Control :</i>			
Indian	1·43	0·28	19·6
Partly Indian and Partly Non-Indian	2·57	—0·01	—0·4
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	2·68	—0·08	—2·9
Private Ltd. Indian	1·73	0·34	19·7
<i>Proprietary and Partnership concerns:</i>			
Indian	5·66	—1·32	—23·3

ANNEXURE XL— *contd.*

D. 13. General charges—up keep

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries, etc.)	7.15	—1.34	—18.7
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	10.11	—1.14	—11.3
Partly Indian and Partly Non-Indian	5.93	—0.32	—5.4
Indian	1.93	5.53	286.5
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	5.50	—0.52	—9.5
Private Ltd. Non-Indian	4.09	0.87	21.3
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	5.43	—1.38	—25.4
<i>Indian Managing Agents Control :</i>			
Indian	6.36	—1.71	—26.9
Partly Indian and Partly Non-Indian	5.85	—1.94	—33.2
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	5.31	—1.41	—26.6
Private Ltd. Indian	6.79	—1.16	—17.1
<i>Proprietary and Partnership concerns :</i>			
Indian	5.32	—1.57	—29.5

There was a fall in both Non-Indian and Indian groups. In the Non-Indian Proprietary it was highest 25% and lowest in the Partly Indian and Partly Non-Indian at 5.4%.

In the Indian companies the fall ranged between 27 and 33%.

D. 14. Recruiting expenses

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries, etc.)	1.61	—0.51	—31.7
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	1.34	—0.89	—66.4
Partly Indian and Partly Non-Indian	1.37	—0.65	—47.4
Indian	2.00	—1.39	—69.5
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian . . . . .	..	..	..
Private Ltd. Non-Indian . . . . .	..	..	..
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	0.93	—0.58	—62.4

ANNEXURE XL—*contd.*

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Indian Managing Agents Control :</i>			
Indian	1'60	—0'35	—21'9
Partly Indian and Partly Non-Indian	1'56	—0'90	—57'7
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	1'05	—0'31	—29'5
Private Ltd. Indian	1'79	—0'95	—53'1
<i>Proprietary and Partnership concerns :</i>			
Indian	1'29	—0'65	—50'4

The expenses under this head fell in all the groups being the maximum in the Non-Indian Rupee companies at 66%. In the Indian companies under Managing Agency and the Director controlled companies it varied between 22 and 30%.

D. 14 (a). Medical benefits

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies (Controlled by Managing Agents/ Secretaries, etc.)</i>			
	3'88	0'22	5'7
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	3'88	0'19	4'9
Partly Indian and Partly Non-Indian	3'78	0'42	11'1
Indian	1'6	—0'67	41'9
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	1'02	0'14	13'7
Private Ltd. Non-Indian	3'77	—0'32	—3'5
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	3'70	0'75	20'3
<i>Indian Managing Agents Control :</i>			
Indian	2'28	—0'07	—3'1
Partly Indian and Partly Non-Indian	3'96	0'13	3'3
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	1'75	—0'02	—1'1
Private Ltd. Indian	2'53	—0'09	—3'6
<i>Proprietary and Partnership concerns :</i>			
Indian	1'84	—0'05	—2'7

In the Sterling companies there was a rise of 6%, in the Non-Indian Rupee companies a rise of 5 to 11% and in the Indian companies a fall of, between 1 and 3%.

ANNEXURE XL—*contd.*
D. 14 (b). Other labour benefits

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents / Secretaries, etc.)	6·31	—0·49	—7·78
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	5·17	0·28	—5·42
Partly Indian and Partly Non-Indian	6·78	—1·69	—24·93
Indian	0·47	1·66	353·19
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	6·64	1·74	26·2
Private Ltd. Non-Indian	6·70	—0·20	—3·0
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	2·63	—0·62	—23·5
<i>Indian Managing Agents Control :</i>			
Indian	5·37	—0·63	—11·7
Partly Indian and Partly Non-Indian	10·89	—1·90	—17·4
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	1·69	—0·25	—14·9
Private Ltd. Indian	1·72	0·42	24·4
<i>Proprietary and Partnership concerns :</i>			
Indian	4·24	—0·82	—19·3

In the Sterling companies there is a fall of 8%, in the Rupee Non-Indian companies a rise of 5% and in the Indian companies a fall of between 12 and 15%.

D. 15. Bouns to staff

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents / Secretaries, etc.)	0.68	0.20	29·0
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	0.56	0.05	9·0
Partly Indian and Partly Non-Indian	0.41	0.02	5·0
Indian	0.56	0.13	23·0
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	0.76	0·93	122·0
Private Ltd. Non-Indian	0.76	0.42	55·0
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	0.30	0.15	50·0

ANNEXURE XL—*contd.*

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Indian Managing Agents Control :</i>			
Indian	1'12	0'10	—0'9
Partly Indian and Partly Non-Indian	0'30	—0'01	—3'0
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	1'25	—0'86	—69'0
Private Ltd. Indian	0'51	—0'15	—29'0
<i>Proprietary and Partnership concerns :</i>			
Indian	0'70	0'05	7'0

In the Sterling companies there is a rise of 29%, in the Rupees Non-Indian companies a rise of 5 to 9%, in the Indian companies under Indian Agency a rise of 1%, proprietary group 7%. In the Director controlled Indian companies there is a fall of 30-70%.

D. 15 (a). Commission to managing and staff

Type of Ownership /Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies (Controlled by Managing Agents/ Secretaries, etc.)</i>			
	2'80	0'67	24'0
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	2'79	1'38	50'0
Partly Indian and Partly Non-Indian	3'37	0'97	29'0
Indian . . . . .	..	..	..
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	4'02	—4'02	—100'0
Private Ltd. Non-Indian . . . . .	..	..	..
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	2'99	—0'40	—13'0
<i>Indian Managing Agents Control :</i>			
Indian	0'70	0'02	3'0
Partly Indian and Partly Non-Indian	2'71	0'69	25'0
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	0'43	—0'13	—30'0
Private Ltd. Indian	0'51	0'15	29'0
<i>Proprietary and Partnership concerns :</i>			
Indian	0'46	0'30	65'0

In this Sterling companies there is a rise of 24%, in the Rupee Non-Indian Managed companies a rise of 30-50%, in the Indian companies a rise of 3%. in the Director controlled Indian companies a fall of 30%.

ANNEXURE XL—*contd.*

D. 15 (b). Commission to director and agency Allowance

Type of Ownership/Management	1950 ^a (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries, etc.)	3.07	0.21	7.0
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	6.01	1.24	21.0
Partly Indian and Partly Non-Indian	6.21	—0.39	—6.0
Indian	4.03	—0.95	—24.0
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian . . . . .	..	..	..
Private Ltd. Non-Indian . . . . .	..	..	..
<i>Proprietary and Partnership concerns:</i>			
Non-Indian.	0.06	0.48	79.0
<i>Indian Managing Agents Control :</i>			
Indian.	4.62	0.74	16.0
Partly Indian and partly Non-Ind an	5.65	0.96	12.0
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	1.90	0.64	34.0
Private Ltd. Indian	0.66	0.15	23.0
<i>Proprietary and Partnership concerns:</i>			
Indian	0.06	0.19	317.0

In the Sterling companies a rise of 7%, in the Rupee Non-Indian a rise of 21%, in the Indian managed companies a rise of 12 to 16% and in the Director controlled Indian companies a rise of 34%.

D. 16. Bonus to labour

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries, etc.)	0.82	0.35	13.0
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	0.25	—0.14	—56.0
Partly Indian and Partly Non-Indian	1.70	1.41	132.0
Indian	5.34	—1.12	—21.0
<i>Outside Managing Agents Control:</i>			
Public Ltd. Non-Indian	3.47	0.88	25.0
Private Ltd. Non-Indian	3.71	0.11	3.0
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	1.89	—0.49	—26.0

ANNEXURE XL—*contd.*

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Indian Managing Agents Control :</i>			
Indian	0·89	0·47	53·0
Partly Indian and Partly Non-Indian	0·30	—0·17	—57·0
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	0·36	—0·04	—11·0
Private Ltd. Indian	0·12	—0·08	—67·0
<i>Proprietary and Partnership concerns :</i>			
Indian	0·58	0·15	26·0

In Sterling companies there was a rise of 43% and in the Rupee partly Indian and Non-Indian a rise of 132%. In the Indian companies under Indian Managing Agents the rise is 53% and in the Director controlled Public Limited companies a fall of 10%.

D. 17. Salaries to Estate

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies (Controlled by Managing Agents/ Secretaries, etc.,)</i>			
	11·56	2·26	19·6
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	12·18	2·92	23·9
Partly Indian and Partly Non-Indian	9·36	1·78	19·0
Indian	10·62	0·41	3·9
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	11·18	—2·83	—25·8
Private Ltd. Non-Indian	14·99	—2·69	—17·9
<i>Proprietary and Partnership concerns:</i>			
Non-Indian	8·98	1·27	14·1
<i>Indian Managing Agents Control :</i>			
Indian	6·53	0·30	4·6
Partly Indian and Partly Non-Indian	10·72	2·49	23·2
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	6·95	0·76	10·9
Private Ltd. Indian	6·00	0·79	13·2
<i>Proprietary and Partnership concerns :</i>			
Indian	7·26	0·17	2·3

In Sterling companies there is a rise of 20%, in the Rupee Non-Indian companies the rise was between 19 and 24%. In the Indian companies under Indian Managing Agents the rise was only 5% and in the Director controlled Indian companies 11%.

ANNEXURE XL—*contd.*

D. 17 (a). Salarie to head office

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries, etc.)	1.20	0.25	20.8
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	0.54	0.22	40.8
Partly Indian and Partly Non-Indian	1.42	0.49	34.5
Indian . . . . .	..	..	..
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian . . . . .	..	..	..
Private Ltd. Non-Indian	0.33	—0.12	—36.4
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	0.09	0.03	4.3
<i>Indian Managing Agents Control:</i>			
Indian	1.54	0.26	16.9
Partly Indian and Partly Non-Indian	4.00	—0.14	—3.4
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	1.74	0.36	20.7
Private Ltd. Indian	1.14	0.57	50.0
<i>Proprietary and Partnership concerns :</i>			
Indian	1.47	0.17	11.6

In Sterling companies there is rise by 21% in the Non-Indian Rupee companies a rise of 34% to 41%. In the Rupee Indian companies the rise is 17% and in the Director controlled Indian companies 21%.

D. 18. Expenses—estate

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries, etc.)	3.37	0.76	22.6
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	3.20	0.51	15.9
Partly Indian and Partly Non-Indian	2.87	0.68	23.7
Indian	8.13	1.46	18.0
<i>tside Managing Agents Control :</i>			
Public Ltd. Non-Indian	11.19	—0.49	—4.4
Private Ltd. Non-Indian	9.59	1.69	17.6
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	3.06	—0.79	—25.8

ANNEXURE XL—*contd.*

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Indian Managing Agents Control :</i>			
Indian	2.38	0.52	21.8
Partly Indian and Partly Non-Indian	2.05	0.13	6.3
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	2.72	—0.20	—7.3
Private Ltd. Indian	2.82	—0.17	—6.0
<i>Proprietary and Partnership concerns :</i>			
Indian	3.03	0.27	8.9

In the Non-Indian groups the rise is between 16% and 24%. In the Indian groups there is a fall of 7% in the Director controlled groups and a rise of 22% in the Indian companies under Indian Managing Agents.

D. 18 (a). Expenses—head office

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies (Controlled by Managing Agents/ Secretaries, etc.)</i>			
	1.65	0.85	51.5
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	2.53	1.12	44.3
Partly Indian and Partly Non-Indian	2.10	0.40	19.0
Indian . . . . .	..	..	..
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian . . . . .	..	..	..
Private Ltd. Non-Indian	12.56	—1.22	—9.7
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	1.30	0.60	46.2
<i>Indian Managing Agents Control :</i>			
Indian	3.54	—0.16	—4.5
Partly Indian and Partly Non-Indian	5.36	0.17	3.2
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	4.37	0.40	9.2
Private Ltd. Indian	1.99	—0.17	—8.5
<i>Proprietary and Partnership concerns :</i>			
Indian	2.03	—0.11	—5.4

There is a marked rise in the Sterling companies at 51%, Non-Indian Rupee companies at 44% while in the Indian companies there is a fall of 4.5% and in the Director controlled Indian companies a rise of only 9%.

ANNEXURE XL— *contd.*

D. 18 (b). Depreciation

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries, etc.)	1.52	1.56	102.6
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	3.24	—0.63	—19.4
Partly Indian and Partly Non-Indian	4.49	1.89	42.1
Indian	15.98	—6.75	—42.24
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	1.62	2.92	180.2
Private Ltd. Non-Indian	13.63	—2.75	—20.2
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	2.65	0.25	9.4
<i>Indian Managing Agents Control :</i>			
Indian	2.85	0.46	16.1
Partly Indian and Partly Non-Indian	9.47	0.29	3.1
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	2.85	0.98	34.4
Private Ltd. Indian	6.94	—1.71	—24.6
<i>Proprietary and Partnership concerns :</i>			
Indian	2.84	1.10	38.7

There is a significant increase in the Sterling Group at 103%, the increase in the Rupee Non-Indian managed companies partly Indian is 42%. The companies under Indian Managing Agents show an increase of 3% to 16%. While the Director controlled companies show an increase of 34%.

E. 19. Cost of tea chests
Packing

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries, etc.)	10.42	—0.35	—3.4
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	10.86	—0.90	—8.3
Partly Indian and Partly Non-Indian	9.94	—0.19	—1.9
Indian	8.60	—7.18	—83.5
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	9.05	3.34	36.9
Private Ltd. Non-Indian	9.62	—3.52	—36.6
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	7.38	1.30	17.6

ANNEXURE XL— *contd.*

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Indian Managing Agents Control :</i>			
Indian	9.23	—0.46	—5.0
Partly Indian and Partly Non-Indian	9.63	—0.15	—1.6
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	10.41	—0.65	—6.24
Private Ltd. Indian	9.37	—1.49	—15.9
<i>Proprietary and Partnership concerns :</i>			
Indian	7.62	1.01	13.3

There is an almost uniform fall in cost under this head in all groups ranging between 2% to 8%. The Proprietary (Non-Indian and Indian) also show an increase of 13% to 18%.

E. 20. Other materials

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies (Controlled by Managing Agents/ Secretaries, etc.)</i>			
	0.33	0.01	3.0
<i>Rupce Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	0.31	0.02	6.4
Partly Indian and Partly Non-Indian	1.10	—0.06	—5.5
Indian	0.06	—0.02	—33.3
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian . . . . .	..	..	..
Private Ltd. Non-Indian	0.10	0.15	150.0
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	0.08	0.28	350.0
<i>Indian Managing Agents Control :</i>			
Indian	0.32	—0.13	—40.6
Partly Indian and Partly Non-Indian	0.52	—0.07	—13.5
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	0.10	—0.03	—30.0
Private Ltd. Indian	0.04	..	..
<i>Proprietary and Partnership concerns :</i>			
Indian	0.08	—0.03	—37.5

There is a fall in costs in the Indian groups whereas there is a slight rise in the Non-Indian groups (excluding under Proprietary Non-Indian).

ANNEXURE XL—*contd.*

E. 21. Labour for packing

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries, etc.)	0.55	0.09	16.4
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	0.38	0.03	7.9
Partly Indian and Partly Non-Indian	0.63	0.04	6.3
Indian	0.61	—0.05	—8.2
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	0.52	..	..
Private Ltd. Non-Indian	0.31	0.13	41.9
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	1.75	0.45	25.7
<i>Indian Managing Agents Control :</i>			
Indian	0.41	—0.03	—7.3
Partly Indian and Partly Non-Indian	0.32	0.02	6.3
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	0.30	0.02	6.7
Private Ltd. Indian	0.23	—0.07	—30.4
<i>Proprietary and Partnership concerns :</i>			
Indian	0.33	0.03	9.1

There is here a rise of 16% in Sterling companies and 6% to 8% in the Rupee Non-Indian and 26% in the Proprietary Non-Indian whereas the Indian companies under Indian Agents show a fall of 7%.

E. 22. Selling expenses
Freight and transport charges

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries, etc.)	4.84	2.62	54.1
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	5.03	0.73	14.5
Partly Indian and Partly Non-Indian	6.51	1.10	16.9
Indian	2.16	—1.49	—69.0

ANNEXURE XL—*contd.*

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Outside Managing Agents Control:</i>			
Public Ltd. Non-Indian	2.71	3.56	131.4
Private Ltd. Non-Indian	2.99	0.13	4.3
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	6.89	1.55	22.5
<i>Indian Managing Agents Control :</i>			
Indian	4.63	—0.72	—15.6
Partly Indian and Partly Non-Indian	5.64	0.34	6.0
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	4.40	—0.71	—16.1
Private Ltd. Indian	5.43	0.31	5.7
<i>Proprietary and Partnership concerns :</i>			
Indian	3.29	0.04	1.2

There is a rise of 54% in Sterling companies, 15% to 17% rise in the Rupee Non-Indian and 22% in the Proprietary Non-Indian. In the Indian groups there is a fall of 16% in the Director controlled companies and a rise of 6 to 16% in the companies under Indian Managing Agents.

F. 23. Stock and transit insurance

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies (Controlled by Managing Agents/ Secretaries, etc.)</i>			
	0.51	0.24	47.1
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	1.82	—0.16	—8.8
Partly Indian and Partly Non-Indian	0.73	0.09	12.3
Indian . . . . .	..	..	..
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	0.51	0.06	11.8
Private Ltd. Non-Indian	0.14	0.01	7.1
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	0.44	0.67	152.3

ANNEXURE XL—*contd.*

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Indian Managing Agents Control :</i>			
Indian	0.58	0.07	12.1
Partly Non-Indian and Partly Indian	1.33	0.68	51.1
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	0.72	0.02	2.8
Private Ltd. Indian	0.63	0.29	46.0
<i>Proprietary and Partnership concerns :</i>			
Indian	0.40	0.29	72.5

There is a rise of 47% in the Sterling companies, 152% in the Proprietary Non-Indian and a fall of 8.8% in the Rupee Non-Indian companies.

In the Indian groups the rise is high at 51% in the Partly Indian and Non-Indian companies while it is 12% in the Indian companies and 2.8% in the Director controlled Public Limited companies.

F. 24. Forwarding and selling expenses

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies (Controlled by Managing Agents/ Secretaries, etc.)</i>			
	2.19	3.93	179.5
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	4.21	3.52	83.6
Partly Indian and Partly Non-Indian	2.53	5.51	217.8
Indian	0.97	—0.80	—82.5
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian	1.46	0.23	15.8
Private Ltd. Non-Indian	1.93	—1.68	—87.0
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	3.18	2.41	75.8
<i>Indian Managing Agents Control :</i>			
Indian	2.60	0.10	3.8
Partly Indian and Partly Non-Indian	3.38	1.60	47.3
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	4.65	—0.61	—13.1
Private Ltd. Indian	3.59	—1.67	—46.5
<i>Proprietary and Partnership concerns :</i>			
Indian	3.59	—0.05	—13.9

There is a rise of 180% in the Sterling companies, 84%, in the Rupee Non-Indian companies and 218% in the Partly Indian and Partly Non-Indian companies.

In the Indian group, the rise is only 4% in the Indian companies under Indian Agents ; while there is a fall of 13% in the Director controlled Indian companies.

ANNEXURE XL—*concl'd.*F.25. *Export quota charges*

Type of Ownership/Management	1950 (in Rs. per 100 lbs.)	Excess or deficit 1953 over 1950 (in Rs.)	Percentage rise or fall
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries, etc.)	0·87	0·21	24·1
<i>Rupee Companies :</i>			
<i>Non-Indian Managing Agents Control :</i>			
Non-Indian	2·20	0·17	7·7
Partly Indian and Partly Non-Indian	2·63	0·31	11·8
Indian . . . . .	..	..	..
<i>Outside Managing Agents Control :</i>			
Public Ltd. Non-Indian . . . . .	..	0·82	..
Private Ltd. Non-Indian	0·04	—0·01	—25·0
<i>Proprietary and Partnership concerns :</i>			
Non-Indian	1·06	—0·34	—32·1
<i>Indian Managing Agents Control :</i>			
Indian	1·34	1·66	123·9
Partly Indian and Partly Non-Indian	2·10	0·99	47·1
<i>Outside Managing Agents Control :</i>			
Public Ltd. Indian	1·24	1·19	96·0
Private Ltd. Indian	1·53	0·36	23·5
<i>Proprietary and Partnership concerns :</i>			
Indian	1·39	1·16	83·5

The rise in the Sterling companies is 24% in the Rupee Non-Indian between 8% and 12%. In the Indian groups the rise is 124% in the companies under Indian Managing Agents and 96% in the Director controlled Indian companies.

In the proprietary groups there is a rise of 84% in the Indian and a fall of 32% in the Non-Indian.

SOURCE :—Returns from estates.

ANNEXURE XLI

*Cost of production—proportion of cost to total average cost***All India Region-wise**

All India Region-wise																(In per cent)	
Region	1	2	A Cultiva- tion	B Gathering	C Manufac- ture	D General Charges	E Packing	F Selling Expenses	Deducting commis- sion to M. A. from Ge- neral Charges	7	8	Total (Average cost ex- cluding commis- sion to M.A.)	9				
1950																	
Assam	18.22	.	.	15.36	40.74	9.31	7.82	-5.40			100					
Cachar	18.42	.	.	16.79	40.08	9.48	7.36	-5.70			100					
Dooars and Terai	15.19	.	.	19.89	33.49	10.63	10.40	-5.43			100					
Darjeeling	19.49	.	.	12.52	40.08	7.71	8.62	-3.91			100					
Tripura	16.68	.	.	15.83	38.30	10.14	19.94	-5.99			100					
Bihar	11.43	.	.	21.88	41.65	8.76	6.86	-6.13			100					
Average (weighted) for North India															100		
Malabar Wynaad and Nilgiri Wynaad	22.18	.	.	9.36	41.25	7.25	3.56	-1.29			100					
Madras	20.09	.	.	9.05	41.25	8.37	6.31	-5.12			100					
T. C. State	23.05	.	.	10.61	38.96	8.52	3.80	-5.14			100					
Coorg	33.26	.	.	9.17	32.37	7.32	2.65	-3.98			100					
Mysore	18.12	.	.	16.72	45.97	8.19	1.57	-5.82			100					
Average (weighted) for South India															100		

ANNEXURE XLI—*concl'd.*
1950—*concl'd.*

I									
	2	3	4	5	6	7	8	9	
Average (weighted) cost of production for All India									
	17.98	15.34	15.81	38.60	9.46	8.05	—5.24	100	
1953									
Assam	16.69	14.48	15.78	38.06	8.08	12.33	—5.42	100	
Cachar	13.98	13.49	15.16	41.40	9.24	14.76	—8.03	100	
Dooars and Terai	12.57	14.66	19.23	35.20	9.64	15.11	—6.41	100	
Darjeeling	16.37	17.20	12.96	42.76	5.83	9.30	—4.42	100	
Tripura	12.64	7.47	17.42	45.00	8.20	20.22	—10.95	100	
Bihar	13.58	16.68	17.93	38.81	8.97	7.98	—3.95	100	
Average (weighted) for North India									
	15.32	14.65	16.77	37.28	8.59	13.28	—5.89	100	
Malabar Wynaad and Nilgiri Wynaad									
Madras	24.08	19.53	8.91	38.49	4.31	5.85	—1.17	100	
T. C. State	19.47	19.62	9.78	40.02	7.82	7.86	—4.57	100	
Coorg	22.85	20.83	11.07	36.54	7.61	4.36	—3.26	100	
Mysore	37.72	17.65	12.14	30.90	5.21	2.81	—6.43	100	
Average (weighted) for South India									
	23.53	15.26	16.66	39.88	7.59	2.56	—5.48	100	
Average (weighted) cost of Production for All India									
	21.97	20.13	10.32	38.08	7.09	5.79	—3.38	100	
	16.45	15.56	15.49	37.82	8.26	11.83	—5.41	100	

SOURCE :—Data furnished by estates.

ANNEXURE XLII

Proportion of labour costs to total cost—1953

North India

Region	Serial number of Estates	Percentage of wages including D. A. and Food Stuff on Total Cost	Percentage of medical and other benefits including Bonus on total Cost	Total
1	2	3	4	5
Assam	1	20	2	22
	2	12	4	16
	3	33	3	36
	4	34	2	36
	5	35	3	38
	6	37	8	45
	7	37	1	38
	8	32	3	35
	9	37	3	40
	10	32	6	38
	11	35	3	38
	12	15	3	18
	13	31	6	37
	14	27	4	31
	15	45	6	51
	16	37	6	43
Total		33	4	37
Cachar	17	23	5	28
	18	27	6	33
	19	32	5	37
	20	23	5	28
Total		26	5	31

ANNEXURE XLII—*contd.*

I	2	3	4	5
Dooars	21	35	7	42
	22	31	4	35
	23	34	4	38
	24	36	3	39
	25	39	4	43
Total		36	11	47
Terai	26	30	6	36
	27	37	4	41
Total		34	5	39
Darjeeling	28	42	3	45
	29	36	13	49
	30	25	4	29
	31	25	4	29
	32	27	29	56
Total		32	17	49
ALL REGIONS—TOTAL		32.5	5.5	38

South India

Nilgiris	1	40	9	19
	2	42	11	53
	3	32	11	43
Mysore	4	42	0.46	42.5
	5	37	4	41
Malabar	6	28	14	42
	7	40	13	53
Travancore-Cochin	8	44	6	50
	9	14	14	28
	10	21	12	33
	11	39	10	49
ALL REGIONS—SOUTH INDIA		35	10	45

SOURCE:—Cost Accounts Branch, Ministry of Finance.

ANNEXURE XLIII

A. Statement showing decline in permanent labour between 1951 and 1954

Region	Permanent Labour*	
	1951	1954
Assam.	2,05,670	1,99,324
Cachar	43,659	37,739
Dooars	1,03,946	99,840
Darjeeling	17,103	16,459
Tripura	844	939
South India	94,496	92,344
Total	4,65,718	4,46,645

*Figures relate to 517 estates.

SOURCE:—Replies to Questionnaire.

B. Statement showing decline in casual labour in Assam

Year	Total number of workers on books	Average daily working strength
1950-51	88,400	58,095
1951-52	92,276	65,833
1952-53	91,291	61,832
1953-54	46,278	34,076

SOURCE:—Report of the Controller of Emigrant Labour.

C. Statement of average daily number of workers in factories

Region	1952		1953		1954	
	Men	Women	Men	Women	Men	Women
Assam	39,183	10,062	39,137	8,133	31,346	5,866
West Bengal	19,176	5,335	18,914	5,118	16,974	3,394

SOURCE:—Labour Bureau.

ANNEXURE XLIII-A

Output of work by labour in South India

Certain studies showed that more labour was employed in 1953 as compared to earlier years in South India. In one estate a comparison of tasks between 1949 and 1955 showed that the number of bushes for pruning was less, number of holes for supplying vacancies was less, and that there was an increase in the number of pluckers to complete the plucking rounds. In another estate where for a weeding round 4·6 men, 6·4 women and 8 children were employed in 1945, 12·5 men, 16·5 women and 25 children were required in 1954. Their wages have increased during this period from annas 8, 5 and 4 in 1945 to Rs. 1-9-6, 1-3-3 and 0-12-9 respectively for men, women and children in 1954. The number of workers per acre for cleaning drains in another region has gone up from a range of 1·81 and 7 in 1945 to that of 3·75 and 6 in 1950, and 5 and 13·33 per acre in 1955.

ANNEXURE XLIV

Statement showing labour per acre

Year		Total number of workers on books	Average daily working strength	Total acreage	Labour per acre
1950-51	. . . . .	5,15,493	4,01,240	..	..
1951-52	. . . . .	5,54,343	4,36,118	3,84,992	1.44
1952-53	. . . . .	5,21,855	4,18,467	3,85,459	1.36
1953-54	. . . . .	3,31,991	2,69,168	3,86,096	0.86

SOURCE:—Report of the Controller of Emigrant Labour.

The following were the numbers per acre according to the answers supplied by 517 tea estates:

Darjeeling	0.8
Cachar	0.9
South India	1.1
Assam	1.2
Dooars	1.4

According to the West Bengal Minimum Wage Committee report 1949 the bigger the estate, the greater was the number employed per acre in the Dooars. In Terai gardens which employed local casual labour, it was 0.54 per acre in big estates as against 1.12 in Dooars. In Darjeeling where estates were less than 1,000 acres in extent, the average number of labourers as about 1 per acre.

ANNEXURE XLV

A. Proportion of permanent and temporary labour in West Bengal

The Proportion of permanent and temporary labour for West Bengal was the following in 1953* :—

Dooars	97·32	2·68
Terai	91·74	8·26
Darjeeling	99·08	0·92

The proportion of temporary labour was small. But in West Bengal permanent labour was paid a half wage in the slack season and labour need not be paid a full day's wage if it worked only for a half day. When the maintenance of the permanent labour force was thus very elastic, the need for casual labour was less. Terai being a region where plucking had to be completed quickly owing to the shortness of the season recruited more casual labour. According to the I. T. P. A., Jalpaiguri, in view of the absence of a three year contract for imported labour as in Assam "Workers in Dooars and Terai gardens are a floating population for whom there is no fixity of employment over a continuous period in a particular garden". It was difficult to draw the line what was permanent and what was temporary labour. Percentages from records of companies will not show the real permanent labour strength.

B. The Status of Casual Labour

West Bengal

Notification by the Government of W. Bengal dated 3rd April, 1954.

On and from 15th October, 1953, minimum rates of wages of *all workers* excepting minimum rates of wages of permanent workers in gardens over 500 acres shall be further revised so as to bring the total daily cash wages to Rs. 1-8 per male adult worker, etc.

On and from 15th October, 1953 the minimum rates of wages of *all permanent workers* in gardens over 500 acres shall be further revised so as to bring the total daily cash wages to Rs. 1-8-6 per male adult worker, etc.

Bustee labour were not entitled to food concessions previously and are not therefore, entitled to any compensation for the increased selling price of grain and for the abolition of other concessions.

The Employment Standing Orders Act, 1946

This act applied only to industries employing more than 100 persons.

According to I. T. P. A., Jalpaiguri and I. T. A. model standing orders, there is no provision for muster roll for temporary or casual workers. In the case of employees other than on time basis, i.e., workers on piece or *ticca* basis, notice wherever possible will show the daily basic wage rates as also the various concessions, if any, allowed.

According to I. T. A's model agreements for Assam a permanent worker should have put in six months' probation, this means that every worker of less than six months standing is not a permanent worker.

There is no need for notice of termination of employment in the case of casual or temporary workers. This gave a loophole of employing such labour on daily wage and thereby avoiding notice even for labour working for more than a month.

Travancore-Cochin

In this State workmen were employed from 5 or 6 to 10 or 11 months. It is not possible to frame any definite rules for the grant of leave to such workmen. This was left to the discretion of the manager.

*SOURCE:—Government of West Bengal.

ANNEXURE XLVI

Statement showing excess local labour and imported labour, for 5 Years between 1950 and 1954 ending September each year, for tea plantations in Assam

Year		Number imported	Number repatria- ted	Difference (2-3)	Number recruited locally	Net differ- ence be- tween total imported and local labour and death and discharge of the same
1		2	3	4	5	6
1950	. . . . .	28,100	29,898	-1,798	73,902	10,411
1951	. . . . .	39,783	32,643	7,140	70,425	26,530
1952	. . . . .	39,712	27,433	12,279	73,133	18,835
1953	. . . . .	3,633	31,240	-27,607	43,949	-30,417
1954	. . . . .	454	17,641	-17,187	70,972	4,628
				-27,173	3,32,381	29,987

Net addition of local labour 29,987+27,173-57,160.

SOURCE:—Report of the Controller of Emigrant Labour—Assam.

ANNEXURE XLVII

ABSENTEEISM

Estimates by Governments

The percentage of absenteeism *as reported by Governments for 1953 in Assam, West Bengal and Travancore-Cochin State are the following :—

Assam	.	.	30%
Cachar	.	.	18%
West Bengal (for 7 factories)	.	.	49%

Travancore- Cochin State		11%
-----------------------------	--	-----

In West Bengal excluding days of sickness and accident and leave for social and religious courses, absenteeism due to other causes was 44 per cent.

Estimates by Others

Assam—Speaking about absenteeism in Assam at the Annual meeting, the Chairman of Indian Tea Association said in 1952 : “On one of our gardens in Assam the daily attendance varies between 500 and 1,000 though there are 2,000 workers on the books who have to be fed and housed by the estate and who get free medical attention”.

According to the report of an enquiry into the family budget of tea garden workers in Assam 1951-52, a worker worked for 4.84 days in a week in Assam Valley, and 4.70 days in a week in Cachar District.

The following were the figures of absenteeism among settled and casual labourers in Assam tea estates according to the reports of the Controller of Emigrant Labour:

I	Total No. of workers on books	Average daily working strength	Percentage of 2 to 3
	2	3	4
<i>Settled Labourers :</i>			
1950-51	5,15,493	4,01,240	22.2
1951-52	5,54,343	4,36,118	21.3
1952-53	5,21,885	4,18,467	19.8
1953-54	3,31,991	2,69,168	19.9
<i>Casual Labourers :</i>			
1950-51	88,400	58,095	34.3
1951-52	92,276	65,833	28.7
1952-53	91,291	61,832	32.3
1953-54	46,278	34,076	26.4

NOTE.—*The number of days worked by Indian Labour in Ceylon was 21. Excluding Sundays, percentage of absenteeism worked to 16 per cent in Ceylon.

West Bengal.—The following extract from the replies to the questionnaire by the Indian Tea Planters Association, Jalpaiguri, indicated the causes of absenteeism in West Bengal:

“In the winter, *i.e.*, in off season, due to the on rush of local workers and reluctance of the resident workers who are wedded to the rural agricultural habit to work in the afternoon, the generality of the workers did not prefer to work more than the *hazira* (morning shifts).

The majority of the workers of the tea plantations of Dooars and Terai are recruited from the tribals of Chotanagpur who are very fond of community huntings, visiting relatives, etc. in the off season ; this was also another strong reason why in the off season the *doubli* or afternoon shift was thinly attended.”

South India.—Discussing the average attendance in 1947 in the report on, an enquiry into the cost and standard of living of plantation workers in South India by the Director, Labour Bureau, the report said : “The average attendances in tea estates per month for men, women and children respectively was 19.9 , 20.1 and 20.3 days in Madras and 19.2, 19.6 and 19.1 days in Cochin. In coffee it was 18, 16.5 and 16 in Madras for men, women and children. Absenteeism ranged in Madras from 30 to 35%. Absenteeism in rubber could not be easily calculated owing to resting of trees stoppage of tapping on rainy days, absence of regular hours of work and performance of work in double shifts.

Figures of absentees were collected for one estate for 1951 with the agreement of both the parties to be placed before the Madras Tribunal. They showed that the total number of days in a month was 30.42 . The number of Sundays was 4.33. Out of the remaining 26.09 days workers absented themselves for 9.3 days with leave and 4.26 days without leave. This worked to a percentage 16%* of the number of working days in the month. These various estimates indicated that out of 25 days in a month excluding Sundays, a worker was absent for reasons of sickness, maternity or social or religious ceremonies for less than one day and absent without reason for 4 days.

Two features noteworthy in this study are decline in absenteeism between 1950 and 1954 and an increase in absenteeism in the slack seasons as compared to the peak.

Enquiries by the Commission

A study in Cachar of absenteeism in one of the Indian estates showed that there was a slight fall in absenteeism from 36 to 28 per cent in the peak month of June and 40 to 38 per cent in the slack month of August between 1949 and 1952.

The information received from 258 companies about the number employed and the number attended and difference between the two is as follows. In Sterling companies and in Non-Indian managed companies since 1951 there has been an increase in attendance. In 1951 the attendance in more than half the number of these companies was varied between 65 to 75 per cent: in 1954 the attendance improved to 75 to 85 per cent. In 1951 there were a few companies in the group which had a percentage attendance of 50 to 65

but in 1954 there was no such group. Their attendance has increased over 65 per cent. Among the Indian companies, the percentage has remained more or less stationary or showed an increase. This might be due to the large turn-over of labour after the crisis.

The same increase in absenteeism in Indian gardens is seen in the different types of companies in each of the region.

The percentage of absenteeism of children is very high in most of the regions especially in Dooars, Tripura and Darjeeling. The analysis by types of companies shows that in Indian companies the percentage of absenteeism among children and adolescents is nearly twice that among men and women.

The percentage of absenteeism among women is uniformly higher than among men.

ANNEXURE XLVIII

Figures of surplus adult labour in estates have been collected by the I.T.A. for Assam and Darjeeling in November 1953. They are given in statements A and B below. They showed that in the second half of 1953 surplus adult unemployed labour for reporting estates in certain regions of Assam amounted to 12,147 males and 10,884 females. In Darjeeling 632 men, 614 women and 1,013 minors were unemployed as against 418 men, 518 women and 191 minors who were employed.

Statement A—showing the distribution of surplus adult labour in Assam by sexes in November 1953 (I. T. A.)

Circle	Males	Females
Moran	789	693
Jorhat	779	870
Golaghat	4,134	4,118
Sonari	68	74
Nazira	235	203
Tingri	20	10
Doom Dooma	89	67
Dibrugarh	12	10
Lakhipur	1,680	1,598
North Cachar	430	346
Happy Valley	366	216
Chutla Bheel	2,144	1,384
Hailakandi	1,051	1,081
Longai	64	70
Chargola	286	144
TOTAL	12,147	10,884

Statement B—showing surplus labour in I. T. A. Member Gardens in Darjeeling by Sub-Districts (November 1953)

Sub-District	Now employed			Dependants		Now Unemployed			Area under Tea in acres
	Men	Women	Minors	Adults	Children	Men	Women	Minors	
Darjeeling East	336	381	147	220	448	281	338	244	3,371·37
Teesta Valley	Nil	Nil	Nil	Nil	Nil	54	66	310	460·63
Rongbong Valley	65	85	23	43	31	70	99	230	1,632·63
Sonada	Nil	Nil	Nil	Nil	Nil	8	30	136	1,302·17
Tingling	Nil	Nil	Nil	Nil	Nil	23	16	93	1,084·00
Kurseong	17	52	21	44	11	196	65	Nil	758·02
Mahanuddy	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
TOTAL ALL	418	518	191	307	490	632	614	1,013	8,608·82

ANNEXURE XLVIII-A

Statement showing seasonal surplus of labour in South India

District	Number of estates	Best crop months	Worst crop months
		Total number of man-days worked	Total number of man-days worked
Anamalai	24	2,33,628	1,68,720
Madurai	2	14,552	6,036
Nilgiris	30	1,56,712	92,354
Nilgiri-Wynad	12	80,565	50,055
Wynaad	10	81,615	52,341
TOTAL		78	5,67,072
			3,69,506

SOURCE :—United Planters' Association of Southern India.

ANNEXURE XLVIII-B

Statement showing non-working dependents in relation to earning workers

1952 (in lakhs)			1953 (in lakhs)			1954 (in lakhs)			
Working	Non- working	Per- cent- age	Working	Non- working	Per- cent- age	Working	Non- working	Per- cent- age	
Men	2.48	0.29	12	1.31	0.18	14	1.55	0.24	16
Women	2.00	0.37	18	1.14	0.20	22	1.39	0.30	24
Children	0.59	4.41	750	0.28	2.53	900	0.33	3.03	920

SOURCE :—Report of the Controller of Emigrant Labour.

NOTE.—The increase in the number of non-working dependents in proportion to earning workers also pointed to the growth of surplus labour in labour families in Assam.

ANNEXURE XLVIII-C

Statement showing the number of labourers recruited, number repatriated and the number who postponed rights of repatriation

Year	Number recruited	Number repatriated	Number postponing* their rights of repatriation
1949-50	28,100	29,898	18,376
1950-51	39,783	32,643	20,542
1951-52	38,513	27,433	20,489
1952-53	4,774	31,240	15,051
1953-54	534	17,641	19,752

SOURCE :—Report of the Controller of Emigrant Labour.

*NOTE.—One among the causes of surplus labour was the postponement of repatriation rights by assisted emigrants in Assam. According to reports of the Tea Districts Emigrant Labour Act, the following postponed their rights of repatriation between 1939 and 1949:—

1938-39	9,224
1939-40	7,210
1940-41	8,645
1944-45	6,724
1945-46	11,733
1946-47	13,675
1947-48	17,511
1948-49	23,922

It was after the war that a very large number of imported labour postponed their rights of repatriation. A cash bonus varying from Rs. 5 to 25 or certain presents such as a blanket or an umbrella were given to the workers who postponed their rights of repatriation. (Plantation Labour in Assam Valley 1951.)

ANNEXURE XLVIII-D

Statement showing birth-rate in plantations compared to the birth-rate for India and estate population in Ceylon.

(Birth rate per 1,000 population)

Year	All-India Statistical Abstract	Emigrant Controller Reports	Indians in Ceylon Estates	UPASI for 31 estates
1941	32.1	33.90	N.A.	N.A.
1942	29.3	30.64	N.A.	N.A.
1943	25.9	25.94	N.A.	N.A.
1944	25.4	27.16	42.7	N.A.
1945	27.3	29.40	41.5	N.A.
1946	28.3	30.60	41.6	32
1947	26.6	28.46	40.4	N.A.
1948	25.2	24.71	44.6	N.A.
1949	26.4	23.91	39.1	N.A.
1950	24.9	23.88	37.3	52
1951	N.A.	35.73	38.6	55
1952	N.A.	33.78	33.5	53
1953	N.A.	39.14	32.5	N.A.

N.A.—Not available.

NOTES.—1. According to Lloyd Jone's Report 1947 —

Assam	32.7
Bengal	34.2
South India	29.3

2. According to Roos Institute 1950 for Assam 42.

ANNEXURE XLIX

Total estimated annual wage bill of the Tea Industry

Region	Total No. of workers in lakhs	Total estimated* wage bill in lakhs of rupees
Assam	5.04	2,282.64
Darjeeling	0.69	173.47
Dooars	1.98	920.67
T.C. State	0.83	351.56
U.P.	0.026	7.71
Himachal Pradesh . . . . .	..	0.29
Mysore	0.06	16.94
Coorg	0.005	1.53
Bihar	0.03	9.55
Punjab	0.07	12.95
Tripura	0.06	18.42
Madras	0.90	342.11
TOTAL	9.691	4,137.84

*NOTE.—The wage bill is estimated as follows :

Assam: (Based on figures furnished by the Controller of Emigrant Labour in his report.)

	Men	Women	Children	Total (lakhs)
Average daily attendance (settled Labour in Lakhs).	1.38	1.04	0.27	
Total cash earning (month)	56.89	39.79	5.98	
Average daily attendance (Faltu Labour)	0.13	0.18	0.03	
Total cash earning (month)	4.80	6.27	0.63	
Total cash earnings (month) (for 3.03 lakh workers). . . . .	..	..	..	114.36
For 5.04 lakhs workers as per figures furnished by the Directorate of Economics and Statistics—per month . . . . .	..	..	..	190.22
Per annum . . . . .	..	..	..	2,282.64

Figures for the remaining regions have been based on the wages in the respective region and labour population as furnished by the Directorate of Economics and Statistics.

Darjeeling :

Wages :		Rs. a. p.		
Men	.	.	0	15 0
Women	.	.	0	14 0
Children	.	.	0	8 0
		Rs. a. p.		
25,496 men at As. 15 per day	.	.	.	23,902 8 0
34,454 women at As. 14 per day	.	.	.	30,147 4 0
8,958 children at As. 8 per day	.	.	.	4,179 0 0
68,908	.	.	.	58,528 12 0
For 26 days in a month	.	.	.	15,21,747 8 0
Per annum	.	.	.	1,82,60,970 0 0
After deducting 5 per cent for sickness and maternity estimated cash wage bill	.	.	.	1,73,47,921 8 0

Doonars :

Wages :		Rs. a. p.		
Men	.	.	1	11 6
Women	.	.	1	9 6
Children	.	.	0	15 0
87,052 men at Rs. 1-11-6 per day	.	.	.	1,49,620 10 0
87,052 women at Rs. 1-9-6 per day	.	.	.	1,38,739 2 0
23,741 children at Rs. 0-15-0 per day	.	.	.	22,257 3 0
1,97,845	.	.	.	3,10,616 15 0
For 26 days in a month	.	.	.	80,76,040 6 0
Per annum	.	.	.	9,69,12,484 8 0
After deducting 5 per cent of sickness and maternity estimated cash wage bill	.	.	.	9,20,66,860 8 0

Uttar Pradesh :

Wages :		Rs. a. p.		
Men	.	.	1	0 0
Women	.	.	1	0 0
Children	.	.	1	0 0
2,604 workers wages at Re. 1-0-0 per day	.	.	.	2,604 0 0
For 26 days in a month	.	.	.	67,704 0 0
Per annum	.	.	.	8,12,448 0 0
After deducting 5 per cent for sickness and maternity estimated cash wage bill	.	.	.	7,71,826 0 0

Himachal Pradesh :

Wages:		Rs. a. p.		
Men	.	.	1	0 0
Women	.	.	1	0 0
Children	.	.	1	0 0
98 workers wages at Re. 1-0-0 per day	.	.	.	98 0 0
For 26 days in a month	.	.	.	2,548 0 0
Per annum	.	.	.	30,576 0 0
After deducting 5 per cent. for sickness and maternity estimated cash wage bill.	.	.	.	29,047 0 0

Bihar :

	Rs.	a.	p.
Wages :			
Men	1	3	0
Women	1	1	0
Children	1	0	0
1,273 men at Re. 1-3-0 per day	1,517	10	0
1,278 women at Rs. 1-1-0 per day	1,357	14	0
348 children at Re. 1-0-0 per day	348	0	0
2,904	3,223	8	0
For 26 days in a month	83,811	0	0
Per annum	10,05,732	0	0
After deducting 5 per cent for sickness and maternity estimated cash wage bill	9,55,445	0	0

Punjab :

Wages :			
Men	0	11	0
Women	0	8	6
Children	0	6	0
3,430 men at Re. 0-11-0 per day	2,358	2	0
3,207 women at Re. 0-8-6 per day	1,703	11	6
820 children at Re. 0-6-0 per day	307	8	0
7,457	4,369	5	6
For 26 days in a month	1,13,603	15	0
Per annum	13,63,247	4	0
After deducting 5 per cent for sickness and maternity estimated cash wage bill	12,95,085	0	0

Tripura :

Wages :			
Men	1	2	0
Women	1	0	0
Children	0	9	0
2,646 men at Rs. 1-2-0 per day	2,976	12	0
2,709 women at Re. 1-0-0 per day	2,709	0	0
946 children at Re. 0-9-0 per day	532	2	0
6,301	6,217	14	0
For 26 days in a month	1,61,620	12	0
Per annum	19,39,449	0	0
After deducting 5 per cent for sickness and maternity estimated cash wage bill	18,42,477	0	0

Madras :

Wages :			
Men	1	8	0
Women	1	2	0
Children	0	11	0
43,178 men at Rs. 1-8-0 per day	64,767	0	0
42,278 women at Rs. 1-2-0 per day	47,562	12	0
4,498 children at Re. 0-11-0 per day	3,092	6	0
89,954	1,15,422	2	0
For 26 days in a month	30,00,975	4	0
Per annum	3,60,11,703	0	0
After deducting 5 per cent for sickness and maternity estimated cash wage bill	3,42,11,118	0	0

Travancore-Cochin State :

Wages :				Rs. a. p.		
Men	.	.	.	1	10	6
Women	.	.	.	1	4	3
Children	.	.	.	0	12	9
				Rs. a. p.		
39,823 men at Rs. 1-10-6 per day	.	.	.	65,956	13	6
38,993 women at Rs. 1-4-3 per day	.	.	.	49,350	8	3
4,148 children at Re. 0-12-9 per day	.	.	.	3,305	7	0
82,964	.	.	.	1,18,612	12	9
For 26 days in a month	.	.	.	30,83,932	11	6
Per annum	.	.	.	3,70,07,192	10	0
After deducting 5 per cent for sickness and maternity estimated cash wage bill	.	.	.	3,51,56,832	15	0

Goorg :

Wages :				Rs. a. p.		
Men	.	.	.	1	2	9
Women	.	.	.	0	14	0
Children	.	.	.	0	9	0
248 men at Rs. 1-2-9 per day	.	.	.	290	10	0
242 women at Re. 0-14-0 per day	.	.	.	211	12	0
26 children at Re. 0-9-0 per day	.	.	.	14	10	0
516	.	.	.	517	0	0
For 26 days in a month	.	.	.	13,442	0	0
Per annum	.	.	.	1,61,304	0	0
After deducting 5 per cent for sickness and maternity estimated cash wage bill	.	.	.	1,53,238	12	9

Mysore :

Wages :				Rs. a. p.		
Men	.	.	.	1	2	0
Women	.	.	.	0	14	0
Children	.	.	.	0	10	0
2,792 men at Rs. 1-2-0 per day	.	.	.	3,141	0	0
2,733 women at Re. 0-14-0 per day	.	.	.	2,391	6	0
291 children at Re. 0-10-0 per day	.	.	.	181	14	0
5,816	.	.	.	5,714	4	0
For 26 days in a month	.	.	.	1,48,564	8	0
Per annum	.	.	.	17,82,774	0	0
After deducting 5 per cent for sickness and maternity estimated cash wage bill	.	.	.	16,93,635	0	0

NOTE.—The above estimate does not make allowances for absenteeism; against this, it does not take into account also the extra wages that may be earned on piece-rate jobs.

ANNEXURE XLIX

Cost of amenities per worker

North India

Assam.—Money value of concessions in 1954 as given in the Report of the Controller of Emigrant Labour amounted to Rs. 13.09 lakhs. Total cash earnings of labour including money value of concessions amounted to Rs. 115.75 lakhs. The percentage of money value of concessions to total earnings amounted to 11 per cent. The percentage to total cash earnings only amounted to 12½%. Average annual wage being Rs. 453 in Assam, the cost of amenities per worker amounts to Rs. 56.6.

West Bengal.—Taking the same proportion for West Bengal the average annual earnings being Rs. 444, the cost of amenities may be estimated as Rs. 55.5.

Madras.—The U. P. A. S. I. has worked Rs. 93 as cost of amenities (*vide* Table below).

Travancore-Cochin.—The report of the Minimum Wages Committee for Plantations has worked the daily cost of amenities as 5 as. 11 ps. per man, as. 6 for women and 4 as. 5 ps. for children. This included a bonus of 1 anna per day for men, 9 pies for women and 7 pies for children. Taking an average of one-third of a rupee per day, cost of amenities including bonus will amount to Rs. 104.

Other Regions.—Applying the ratio of West Bengal, the total would amount to Rs. 31.5.

South India*

	Big companies owning more than 1,000 acres			Medium size companies owning 500 acres to 1,000 acres			Small companies owning less than 500 acres			Private owned estates			All estates		
	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.
Medical aid . . .	25	4	8.1	17	8	11.3	8	4	10.6	13	15	1.6	23	12	6.9
Sickness and maternity benefit 1951-52.	5	12	2.2	5	7	2.4	6	12	5.2	7	4	1.3	5	13	0.3
Housing . . .	32	2	3.8	45	3	5.9	39	1	6.2	25	8	11.6	33	3	5.7
Education . . .	2	15	5.4	2	3	0	0	4	9.9	1	14	10.5	2	12	6.9
Way Expenses . . .	3	13	9.8	3	8	6.4	6	1	7.6	4	1	5.9	3	14	7.6
Cumby bonus . . .	7	10	3.1	8	14	2.7	8	5	1.1	7	11	7.2	7	12	3.3
Creches and free meals to workers children.	10	13	1.6	10	8	11.3	12	9	1.5	14	1	3.1	11	15	3.2
Cattle keeping . . .	2	3	10.5	2	5	0.8	2	10	1.0	2	10	5.5	2	4	4.4
Storage and distribution of food grains.	2	12	0.2	0	1	10.2	2	12	5.6	2	11	2.4	2	9	4.8
Total cost per worker .	93	7	8.7	96	7	3.0	86	14	0.7	79	15	1.1	94	1	7.1
Total capital expendi- ture per worker.	297	8	2.0	347	4	4.0	273	15	7.0	193	1	3.3	288	9	11.5

*SOURCE : U.P.A.S.I.

ANNEXURE I

Table showing wages in different regions (in rupees)

MADRAS

	Men			Women			Adolescents	Children		
1948--1950	. 1	4	3	0	14	9	..	0	10	6
1950 . . .	. 1	5	0	0	15	6	0 14 0	0	10	6

	Grade I*			Grade II			Children
March 1952	. .			..			..
December 1953	. 1	5	0	1	0	0	0 10 6
1954 . . .	. 1	7	0	1	1	0	0 11 0

*Classification into grades is based on physical capacity, skill and efficiency.

TRAVANCORE-COCHIN

	Men			Women			Children		
1950 upto Sept.	. 0	15	6	0	12	6	0	8	0 to 0 11 0
1951 upto Sept.	. 0	15	6	0	12	6	0	8	0 to 0 11 0
1952 upto Sept.	. 1	4	6	1	0	6	0	11	0 to 0 15 0 Upto 29th June
1953 upto Sept.	. 1	9	6	1	3	3	0	12	9 From 30th June 1952.
1954 upto Sept.	. 1	9	6	1	3	3	0	12	9

ASSAM

	Men			Women			Children			Plucking Rate	Hoeing Rate
Before 30-3-1952	. 0	13	6	0	11	6	0	6	0	2 to 4 seers per anna.	4 to 8 nalas per anna.
		to			to						(1 nala=12 sq. ft.)
		0 14	0	0	12	0					
After 30-3-1952	. 1	1	0	1	0	0	0	8	6	2 to 3 seers per anna.	3 to 6 nalas per anna.
		to									
		1 2	0								
From 1-2-1954	. 1	9	0	1	8	0	0	12	6		
		to			to			to		..	
		1 11	0	1	9	0	0	13	0		

CACHAR (producing 7½ mds. and over)

From 1-1-1950	. 0	12	0	0	11	6	0	6	0
From 1-1-1954	. 1	6	0	1	5	0	0	12	0

DARJEELING

From 1950 . . .	. 0	13	0	0	12	0	0	7	0
From 1-1-1954	. 1	2	6	1	1	6	0	10	3

DOOARS (for 500 acres and above)

From 1950 . . .	. 1	1	6	0	15	6	0	9	0
December 1951	. 1	3	0	1	1	0	0	10	0
From 15-10-1953	. 1	8	6	1	6	6	0	13	6
From 18-1-1955	. 1	11	6	1	9	6	0	15	0

Note:

CEYLON

(Average minimum rates of wages including special allowance)

	Men			Women			Children		
1950	1.79	1.39	1.21
1951	2.18	1.72	1.40
1952	2.20	1.72	1.40
1953	2.23	1.74	1.42
1954	2.27	1.79	1.47

ANNEXURE LI

Evidence on the working of minimum wage notification

The following are extracts from the replies on the working of the minimum wage notifications:

Assam.—Since the time when wages were originally fixed under the Act, although there has been no rise but rather a decline in the cost of living, the procedure under the Act has been used to raise wages further. Such enhanced wages are above the minimum and should be differently described, even if they happen to be fixed by the same representatives of the Government, Employers and Labour. The Committee which fixes such wages can be described as a Standing Labour Committee or a Fair Wages Committee and the wages can be notified as formed by an agreement under the Industrial Disputes Act or in some similar manner.

The industry has met with some difficulties in Assam owing to the reluctance of Government to notify clearly piece rates and concessions in kind. Vague terms like “existing amenities” have been used. If a wage is to be notified under the Minimum Wages Act, this should be done in clear terms, and if concessions are to be part of the wage, the extent of them should be clearly laid down, as for example has been done in Bihar. It should be left to the good sense of the employers to continue without compulsion such existing amenities as cannot be readily defined in a notification. Strikes have actually occurred in Assam owing to the refusal of the Government to explain the meaning of their own notifications (I.T.A.).

Madras.—There is no justification for keeping labour under the Minimum Wages Act, for all time (I.N.T.U.C. PLANTATION, COIMBATORE).

“This estate being in Madras pays 5 annas more to men workers as minimum wage than to their relations on the next estate over the border.” (Mysore Planters).

“Minimum wages fixed in neighbouring estates have varied considerably, caused dissatisfaction among workers, and brought about instability in wages (U.P.A.S.I.).

Sec. 3(1b) empowers the appropriate Government to revise the minimum wages once fixed. Secs. 6 and 10 prescribe the procedure for making any change or revision in the rate of minimum wages fixed under Secs. 3 and 5. The Government of Madras after fixing minimum wages for plantation workers in the State at the same time referred questions pertaining to fixation of wages of a majority of planted acreage in the estate for adjudication to the Special Industrial Tribunal for planters, under Sec. 10 of the Industrial Disputes Act (U.P.A.S.I.).

Travancore-Cochin.—“Working satisfactorily, though the machinery for revision of the cost of living index in Travancore is operating with considerable delay and it appears that the index should now be much lower than the last published figure” (Travancore Planters).

“Does not contain a rule that cases and circumstances in which an employee employed for a period of less than the requisite number of hours constituting a normal working day shall not be entitled to receive wages for a full normal working day, (Travancore Planters).

Fixation of varying rates of minimum wages for factory and field labour on plantations in the State of Travancore-Cochin have imposed considerable difficulties when workers frequently alternate between the factory and the field. (U. P. A. S. I.).

West Bengal.—“The workers consistent with their old habit would prefer working in the cold weather for the *hazira* shift only. Some of the workers’ organisations taking undue advantage of a lacuna in the minimum wage notification in not having laid down the minimum hours of work to earn a day’s wage which would be rigidly applicable to every worker as in the case of work in a factory, are now demanding that the full day’s task should be comprised in one shift. They started an agitation that none should work more than 5 hours a day which according to their interpretation is the minimum prescribed in the notification to earn a full day’s wage”. (I.T.P.A. JALPAIGURI).

Hazira Doubli system.—After considerable discussion the feeling was generally that it was desirable to get on to a day’s wage and scrap the use of the words *hazira-doubli*. Members wished to retain the method of using the *Hazira Doubli* system. In other words a labourer would be given in the cold weather a minimum of half a day, three quarters of a day, or a full day’s work, according to garden custom. (I.T.A. Dooars Branch, 7th Executive Committee meeting, 11th May, 1953).

Labour earnings vary extremely from garden to garden depending principally on the health and frame of bushes, condition of the garden and above all health of the working force and their understanding with the management. (I.N.T.U.C.—All-India Plantation Federation, Assam.)

The principle and policy of 8 hours work, *i.e.*, completion of double task work should be rigidly enforced. If the workmen work fully in both the tasks or 8 hours per day, the industry can manage efficiently and well with 60 per cent and even less of workers and staff which would automatically reduce cost of production and establishment. The management will be required in that case to have to spend for medical treatment on lesser number of people, will have lesser number of quarters, will have to supply cheap rations at concession rate to lesser number of people, etc. and with the decrease in number of workmen the number of supervisory staff will also go down. At the moment vast majority of workmen do only one task work and all the workers are mostly aboriginals. If education and training are imparted and circumstances are created to induce workmen to do both the task work or 8 hours work, the cost of production and establishment, is bound to go down making the industry economic and financially sound. (Bihar Government.)

Report of Minimum Wage Committees—a brief review

The reports of Minimum Wage Committees showed the difficulties in fixing wages. In Assam as they had no data regarding size, composition of the family, number of earners, dependents, etc. they had to rely on an enquiry of 1947 of Plantation Labour by the Labour Bureau of the Ministry of Labour. In fixing wages for men, women and children they based it on earning strength as 1 : 9 and .05 but in 1954 being a varying relationship it has changed to 1 : 7 : .09 (men’s earnings Rs. 48.57 lakhs, women Rs. 34.28 and children Rs. 5.29 lakhs). In Cachar as there was the difficulty that both production and quality were lower than in Assam the Committee pointed out “that it was most unlikely that rise in wages would not be reflected in the cost of production”. Another difficulty was in getting figures of prices of consumption commodities

for varying costs for different regions. The Committee also did not want 'to interfere with task rates as this is likely to introduce difficulties for garden managements'. The wage too was slightly increased by half anna more than what the calculations of minimum wage actually showed. Another Wage Committee had to be appointed during the crisis when certain areas had to be exempted from the operation of the Minimum Wage Act.

The Madras report of the Minimum Wage Committee indicated a different set of difficulties. Coffee estates in certain area were not able to pay the same wage as tea estates. Differences arose as to the basis for fixing the cost of living index, the number of consumption units in the family for deciding the minimum wage. When the wage was fixed on the basis of the number of wage earners in tea, there was not the same number in coffee and rubber estates. Differences also arose about the weightage that should be given when deciding on the wage for covering essential amenities. There was the problem of relating hours of work to wages when more work had to be done in a short time to suit the season. There were also differences on the quantum of nutritional diet.

In Travancore-Cochin the Minimum Wage Committee went thoroughly into the question. Its report is to be valued for fixing a guaranteed time-rate over the piece-rate for piece-workers, fixing plucking rates for different seasons and recommending a minimum time wage after a study of family needs.

The West Bengal Minimum Wage Committee recognised the need for a half day wage though with full dearness allowance for Dooars, during the slack season between 1st December and 31st March. The Committee also recognised the need for a lower wage in Darjeeling. It also said "that the number of hours for a normal working day for manual work in a garden cannot be rigidly fixed."

It proposed another Committee for Darjeeling to ascertain whether the financial position of the tea estates will make it possible for them to pay the wages recommended.

Finally the Committee said that "the principle of equality of remuneration for male and female workers for work of equal value cannot be applied to tea plantations.

In calculating the minimum wage, "the Committee felt that it was unable at this stage to make any recommendations regarding the intervals at which the cost of living allowance is to be adjusted in future". Difference of opinion also existed about the price at which the commodities consumed should be calculated for deciding on the cost of living of a worker's family.

The dissenting minute of the labour member proposed a compromise keeping in view the existing pattern of consumption, the existing rate of wages and the capacity of the smaller garden to bear the extra cost.

One common feature in all these reports was that rates for tasks which applied to a major portion of the work in plantations were never considered but left to custom, as standardisation of tasks was next to impossible.

ANNEXURE LII

Note on plucking rates in different states

Plucking formed a substantial part of labour work in a plantation. Out of a 100 days of labour per acre, plucking formed two-third number of days. In Madras all women workers are classed as second grade workers and paid one rupee a day. "A plucking average for each month per day is fixed. All pluckers who exceed the plucking average multiplied by the number of days worked by them are paid a monthly production bonus on overpounds at rates which vary from district to district. This production bonus is in addition to the minimum time rate." This mode of fixing the plucking rate over that for earning the minimum wage made the workers race against one another in the hope of getting a production bonus and it resulted in a maximum plucking at a lowest competitive rate. As compared to this, the Travancore system was fair. It fixed the rate for plucking upto a certain number of pounds ranging between 8 and 6 pies per lb. The higher rate was given for months when the quantity of leaf to be plucked was low. But this rate was followed by 4 pies per lb. after a certain quantity has been delivered. In this, however, there was no incentive to produce more, when the rate for excess leaf was less by 50 per cent than that for the first quantity plucked (namely 16 lbs). It meant that a double of the overpound rate was paid for normal work.

In Assam another system was followed. It was a uniform rate of one anna per seer. This was fixed after making an allowance of 16 per cent to ensure that workers below the average might earn the minimum wage. But in addition a uniform dearness allowance was paid irrespective of the quantity plucked. This addition in no way helped to increase the productivity of labour. And as dearness allowance varied for men and women, the latter got a lesser addition to the piece-rate for plucking. This was an unwanted distinction again affecting productivity.

In the Dooars when the quantity of leaf produced was small, employers adopted the following method. The daily wage was paid to those women who plucked the average quantity for the day. If they plucked less they got a half day wage plus full dearness allowance of $9\frac{1}{2}$ annas. If they plucked more, they got 3 pice more per seer over the daily average quantity. Owing to wage differential between men and women, the latter, though more efficient in plucking, also got a less wage.

ANNEXURE LIII

Illustrative list showing forms of workers' protests

(North India)

1. Wrongful restraints and confinement of managers and assistant managers.
2. Wrongful confinement of the police followed by riots.
3. Wrongful confinement of labour officer of Government.
4. Disturbances and assaults.*
5. Riots of serious character (Attack on police).
6. Severe assault on workers for refusal to join party union.
7. Maintenance of armed police in the garden.
8. Intimidation by demonstrations, shouting abuse, etc.
9. Vituperative writings in journals and leaflets.
10. Stoppage of work without warning and reasons.
11. Refusal to complete tasks.
12. Harassment of management by representation of unreal grievances which could not be substantiated by unions to Assistant Labour Commissioner.
13. Other forms :—
 - (a) Where a management took action for absenteeism, labour leaders kept purposely in custody some labourers in their office just to teach management that they should suffer the penalty for taking disciplinary action against absentees.
 - (b) Agitation by unemployed workers who resided in vacant houses and demanded work.
 - (c) Stripping the leaves of a whole block of tea at the end of the week.
 - (d) Thefts of tea.

(South India)

Travancore-Cochin.—(1) Violent demonstrations and shoutings, public meetings causing annoyance to the public, wrongful restraint of managers, illegal strikes, etc.

(2) “As the police were not within easy reach workers were able to intimidate managerial personnel and cause untold damage to properties. Recently such acts of destruction and intimidation took place in the following estates. . . . (A field writer was stabbed to death.)” (One Planter’s Association.)

NOTE.—*The fact that on all occasions there have been violence is a very serious matter which cannot pass unnoticed. On one garden alone there has been six stoppages with four cases of violence and yet on this garden we are asked to believe there is a trade union. (Mr. Guy Carlton Address—Annual Meeting—Dooars Branch—1953).

Madras.—At the instigation of irresponsible Trade Union leadership, plantation workers in the State of Madras have more than once resorted to illegal strikes, *Satyagraha* and hunger strikes to coerce managements estates to yield to unreasonable demands. These movements are in the nature of destructive guerilla exercise by workers and completely paralyse the working of the estate resulting in considerable loss of production and consequent financial loss to the employers. The out-lawry of such methods needs positive action on the part of Governments.

Of a more serious nature is the “go slow” tactics often resorted to by the workers to force the management into accepting unreasonable positions by insidious methods without recourse to open strikes. When workers adopt mass “go-slow” tactics or mass indiscipline and violence the management finds itself in a helpless position, particularly during the pendency of proceedings before a Tribunal, as disciplinary action against the offenders on a mass scale is impracticable and there is all the prohibition on lock-out during the pendency of Tribunal proceedings. (U.P.A.S.I.)

ANNEXURE LIV

Extent of strikes and lock-outs in the Tea industry

Statistics of labour strikes (by causes)

A

(As furnished by Indian Tea Association)

District	Wages and Rates	Personnel	Sympathetic strike and political agitation	Leave and hours of work	Rations and concessional supplies	Others
<i>Darjeeling :</i>						
1954 . . .	1	1	..	..	..	3
1953 . . .	1	..	..	..	1	..
1952 . . .	..	..	..	..	..	..
1951 . . .	..	..	..	..	..	..
1950 . . .	1	..	1	..	..	..
<i>Dooars :</i>						
1954 . . .	2	..	..	2	..	3
1953 . . .	33	2	..	..	7	10
1952 . . .	1	1	..	..	7	3
1951 . . .	5	1	1	..	4	8
1950 . . .	2	..	..	..	..	3
<i>Cachar :</i>						
1954 . . .	1	1	..	1	..	1
1953 . . .	18	..	..	..	..	6
1952 . . .	1	..	..	..	2	13
1951 . . .	..	..	..	..	4	2
1950 . . .	2	..	..	..	5	1
<i>Assam :</i>						
1954 . . .	4	1	..	1	..	9
1953 . . .	173	1	23	1	..	5
1952 . . .	9	3	..	2	7	7
1951 . . .	3	4	..	..	7	8
1950 . . .	6	5	..	..	9	5
<i>All Districts :</i>						
1954 . . .	8	3	..	4	..	16
1953 . . .	225	3	23	1	8	21
1952 . . .	11	4	..	2	16	23
1951 . . .	8	5	1	..	15	18
1950 . . .	11	5	1	..	14	9

NOTE.—According to the report of the Controller of Emigrant Labour the following were the causes of strikes :

1949-50 :

1. Demand for same wage-rates and concessions as in I.T.A. estates.
2. Increase in the hoeing task.
3. Alleged mis-behaviour of the manager and jamadar Babu.
4. Engineered by communists.
5. Non-repatriation of labourers whose right of repatriation had arisen.

1950-51 :

6. Dismissal of one labourer for gross mis-conduct.
7. Dispute over holidays.
8. Labour demanded in Cachar District that the discharged labourers be given full six days' work; that the feeding on non-working children be reintroduced that land be allotted to each of the discharged labourers, that the clerical work of the estate be done by educated members of the labour force, outsiders being employed only when such labourers were not available.
9. Failure of management to supply paddy or rice in the ration.
10. Demand to remove the manager.
11. Demand for increased wages.
12. Protest against cash payment in lieu of ration.
13. Delay in decision by the manager of a dispute between two labourers.

1951-52 :

14. Refusal of management to supply *saris* to women on credit during the period of cloth ration.
15. For stopping the land rent collected from labour for use of khett land.
16. Suspension of women labourers as the manager assaulted by labour in a quarrel between the assistant manager and two women labourers.
17. Non-implementation of minimum wages and unnecessary detention of women labourers in the garden for want of timely order from the head-clerk to ring the bell.
18. Demand for a full wage without completing the allotted task.
19. Reduction in the number of working days in a week by the management owing to surplus labour numbering 375.
20. Introduction of work passes or their attendance to be checked in a register.

1952-53 :

21. Protest against irregular payment of weekly wages and non-payment of wages.
22. Protest against removal of a popular manager and insufficient stock of medicines.
23. Revision of ploughing rate and abolition of *pro rata* payment of convention allowance and dearness allowance.
24. Protest against revision of minimum wage.

Industrial disputes (by causes)

B

(As furnished by State Governments)

Region	Year	Wages	Bonus	Personnel	Time and hours of work	Others	Total
West Bengal (No. of workers 3,22,061)	1952	2	..	1	..	7	10
	1953	30	..	3	1	3	37
	1954	3	1	2	..	5	11
*Madras (No. of workers 92,754)	1952	2	..	1	..	1	4
	1953	1	..	1	..	4	6
	1954	..	..	..	..	..	..
Travancore	1952-53	139	85	95	57	108	484
	1953-54	148	118	107	60	219	652
	1954-55	145	110	108	65	251	679

NOTE. - *Relate only to strikes and not other disputes.

Statement showing industrial disputes

A

(As furnished by State Governments)

Region	1951-1952		1952-53		1953-54	
	No. of No. workers involved	No. of Man- days lost	No. of No. workers involved	No. of Man- days lost	No. of No. workers involved	No. of Man- days lost
Assam . . . . .	..	..	..	..	13	9,799 30,44,438
West Bengal (Total No. of workers 3,22,061).	12	9,506 22,037	11	8,690 23,046	36	37,249 1,47,320
Madras (Total No. of workers 92,754).	2	1,114 6,674	5	3,428 10,684	10	7,667 48,505
Travancore-Cochin .	10	2,663 20,737	8	1,810 8,140	13	60,617 3,56,088

NOTE.—Number of strikes and lock-outs during pendency and conciliation was 35 in 1952-53 and 13 in 1953-54 in Assam and one in 1951-52 and one in 1953-54 in Madras.

Statistics of labour strikes by duration

District	1 day	2 days	3 to 5 days	Over 5 days	Total
<i>Darjeeling :</i>					
1954	3	2	..	..	5
1953 . . . . .	..	1	..	1	2
1952 . . . . .	..	..	..	..	..
1951 . . . . .	..	..	..	..	..
1950 . . . . .	..	2	..	..	2
<i>Dooars :</i>					
1954	3	1	2	1	7
1953	18	7	25	2	52
1952	5	5	..	2	12
1951	9	4	5	1	19
1950	4	1	..	..	5

District	1 day	2 days	3 to 5 days	over 5 days	Total
<i>Assam :</i>					
1954	10	4	1	..	15
1953	171	11	17	4	203
1952	19	6	1	2	28
1951	17	3	2	..	22
1950	12	9	4	..	25
<i>Cachar :</i>					
1954	1	3	..	..	4
1953	23	..	1	..	24
1952	6	3	..	7	16
1951	3	2	1	..	6
1950	1	4	3	..	8
<i>All Districts :</i>					
1954	17	10	5	1	31
1953	212	19	43	7	281
1952	30	14	1	11	56
1951	29	9	8	1	47
1950	17	16	7	..	40

SOURCE : Indian Tea Association.

B

(As furnished by Indian Tea Association)

Region	Year	Number of strikes	Number of workers involved	Man-days lost	Loss in wages (Rs.)	Loss in maunds
Assam Valley . . .	1948	31	11,518	21,365	15,191	915
	1949	14	8,317	21,270	13,802	116
	1950	25	14,046	17,890	13,156	690
	1951	22	13,047	16,035	14,607	1,215
	1952	28	14,102	21,069	19,340	787
	1953	203	1,73,430	2,21,201	2,80,362	13,853
	1954	15	8,884	12,397	16,020	722
Cachar.	1948	2	2,070	6,652	3,460	76
	1949	4	2,226	2,073	1,670	300
	1950	8	4,525	10,336	5,359	222
	1951	6	2,818	3,722	2,335	433
	1952	16	6,050	63,899	60,613	—
	1953	24	22,316	26,930	23,077	..
	1954	4	1,032	2,214	2,211	..

Region	Year	Number of strikes	Number of workers involved	Man-days lost	Loss in wages	Loss in maunds
Dooars	1948	21	17,575	1,31,245	97,123	7,710
	1949	6	7,340	26,301	21,615	1,992
	1950	5	3,727	2,836	2,063	205
	1951	19	12,142	18,564	16,502	2,161
	1952	12	9,860	19,198	14,008	917
	1953	52	45,842	1,26,463	1,48,004	11,325
	1954	7	5,669	13,705	15,807	490
Darjeeling	1948	5	1,586	20,465	13,309	1,086
	1949	3	695	1,257	769	75
	1950	2	230	460	363	1,040
	1951	..	..	..	..	..
	1952	..	..	..	..	..
	1953	2	1,203	27	700	..
	1954	5	1,678	2,326	2,520	67

Statistics of labour strikes giving months of occurrence

District	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
<i>Darjeeling :</i>												
1954	2	..	1	2
1953	2	..	..	..	..	..
1952
1951
1950	1	..	..	..	1	..	..	..	..
<i>Dooars :</i>												
1954	1	..	..	..	1	1	..	1	..	1
1953	..	2	6	..	..	1	3	3	31	5	..	1
1952	2	7	..	..	..	2	..	1
1951	..	2	1	..	..	..	4	3	2	3	2	2
1950	1	1	1	..	..	1	..	1
<i>Assam :</i>												
1954	1	..	..	1	2	2	1	3	1	3
1953	..	1	..	24	10	16	52	37	46	13	1	1
1952	..	2	3	..	8	2	2	2	3	3	1	1
1951	2	2	..	3	2	2	6	5	..	..
1950	..	2	4	1	..	1	4	2	2	3	..	4
<i>Cachar :</i>												
1954	1	..	..	..	1	..	2	..
1953	..	3	2	18	..	1	..	..	..	..	..	..
1952	3	6	1	1	1	..	2	2	..
1951	..	2	1	..	..	1	..	1	1	..	..	..
1950	..	1	2	..	..	..	1	..	1	1	1	..
<i>All Districts :</i>												
1954	2	..	1	1	3	3	2	6	3	5
1953	..	6	8	42	10	18	55	42	77	18	1	2
1952	..	2	3	3	16	10	3	3	3	7	3	1
1951	..	4	4	2	..	4	6	6	9	8	2	..
1950	..	3	6	2	1	2	6	3	3	5	1	5

NOTE.—Month of commencement of strike is shown in each case.
SOURCE : Indian Tea Association.

ANNEXURE LV

Illustrative list showing nature of disputes

(North India)

1. *Tasks :*

Reduction in tasks.

Alleged increase in hoeing tasks.

Change to acreage basis for paying plucking rates as an experiment.

Alleged heavy cheeling rates.

Disputes over the thullying task, and cheel-hoe task for old women.

Use of faulty leaf weightment scales. (The Deputy Commissioner ordered the manager to pay Rs. 579/12/- as wages and Rs. 5,797/8/- as compensation to pluckers. The manager filed an appeal before the district Judge.)

Slashing tasks. (This was a cause of strike).

Partial strike for the right to use bazar-pruning knives instead of company-issued knives.

Claims for a full wage when the ticca of 14 lbs. leaf was not delivered.

Refusal to agree to an increase in rates of plucking on a slab basis.

In order to reduce medium pruning tasks the workers of the unions of a certain group stopped work and demanded full wages for half work and refused to complete the task.

Refusal to bring leaf for weightments.

Refusal to do allotted work (Subhashini).

Fairness of 30 nulls (go-slow method).

Flat-rate plucking allowance.

2. *Wages :*

Equal benefit for temporary tea-makers doing a season's work as permanent tea-makers.

Failure to pay compensation for increased cost of ration.

Non-payment of restored wages.

Pro-rata reduction of wages for hard work leading to violence and rioting
A manager proposed that either contract work should be done or *pro-rata* payment would be paid if work was stopped at 12 mid-day. He was assaulted.

Outside labour should not be employed during the plucking season.

Grievances of *Sirdars*, *Chaukidars* and *Dakwalas*.

Personnel:—

To make temporary employees permanent with 3 month's service.

Reinstatement of the discharged compounder and dismissed Doctor Babu.

Surplus labour should be given work.

Non-appointment of Gurkhas as *Darwans* and sales managers.

Dismissal of workers on the plea of criminal offence committed 3 years back.

Communal agitation against supervisory staff.

Strike for alleged unfair dismissal of 5 persons.

Strike for reinstatement of dismissed head clerk.

Strike for reinstatement of the discharged midwife.

Strike for removal of the manager.

Strike for re-engagement of some casual outside labourers.

4. *Hours of Work—*

Plucking to be stopped at 3 p.m.

Wrong definitions of overtime by inspectors as against the provisions of the Minimum Wage Act.

Management's insistence on a full day's work from labour which has completed its task.

Refusal to give work for women who came late for plucking.

Demand of 40 labourers for leave to cultivate their paddy lands.

5. *Amenities:*

Whether annual leave should include Puja holiday.

Pension for old persons.

Non-payment of compensation for abolition of cloth bonus.

Partial payment of maternity benefit.

Leave with wages and restoration of loss of concessions (illegal strikes).

Increased maternity benefit.

Help from employers towards the education of labourer's children up to middle class standard.

6. *Others:*

The impounding in Government pound of cattle found grazing in the tea.

A share in profits.

Kabuliwalas should be banned in the gardens.

Disputes caused by drunkenness.

Absorption of Eastern Dooars with Assam.

Analysis of Nature of Disputes 1953-54
(South India)

Nature of disputes	No.	Nature of Disputes	No.
Hours of work	3	Retirement	2
Wages and arrears of salary	1	Reinstatement	1
Overtime	5	Victimisation	2
Gratuity	5	Discharge	10
Annual leave and pay	1	Dismissal	14
T.A. expenses	1	Retrenchment	5
Settlement of accounts	1	Compensation for closures	1
Bonus	12	General trouble among staff	2
Provident fund	4	Warning	2
Supply of uniform	1	Transfer	1
Transport	1	Charges on labour	2
Death benefit	1	Insubordination	2
Servant allowance	1	Ill-treatment	2
Rations on leave	1	Ropeway Company	1
Scale of pay and grade	3	Medical aid	2
Resignation	2	Quarters	8
Grades and promotion	9	Amenities	2
TOTAL			114

ANNEXURE LVI

Nature of machinery employed for settlement and results

A. As furnished by Estate Staff Union of South India

Nature of Machinery	Failed		Settled		Pending
	1952-53	1953-54	1952-53	1953-54	1952-53
Tribunal	2	..	14	14	5
Conciliation	1	..	1	13	..
Commissioner for Workmen's compensation	1	..	1	..	..
Labour Officer . . . . .	..	..	9	10	12
Labour Commissioner . . . . .	..	..	..	17	2
Negotiation . . . . .	..	..	18	59	8
Assistant Labour Commissioner . . . . .	..	..	..	1	..
TOTAL	4	..	43	114	27

Industrial disputes by Methods of Settlement

B. As furnished by State Governments

Region	Year	Unconditional resumption	Direct negotiation	Negotiation by Labour Commissioner and Labour Officers	Total No. of disputes
Assam	1953	By conciliation.			93
		By tribunal			27
					120
West Bengal	1952	6	1	3	10
	1953	31	2	4	37
	1954	1	3	7	11
Travancore -Cochin	1952-53	10	39	808	857
	1953-54	41	6	950	997

Statistics of conciliation proceedings in Madras.

	1952-53	1953-54	1954-55
Number of conciliations undertaken	553	264	239
Number of cases in which memo. of settlement sent to Government.	42	53	60
Number of cases in which it was reported that settlement could not be arrived at.	29	38	23
How many reports not sent within 14 days	14	18	27
How many recorded by Government	9	18	5
How many sent to Tribunal Board	11	13	11

SOURCE : Government of Madras.

ANNEXURE LVII

Extracts of evidence on the working of the conciliation machinery

Their lordships of the supreme court, referring to the delay in the office of the Chief Labour Commissioner, New Delhi, in forwarding the proceeding of the conciliation officer to the Ministry of Labour said :

“This hardship (that labour has started an illegal strike) has been thrown upon the employees for no fault of their own but simply because of the callous indifference or utter inefficiency and slackness apparently prevailing in the office of the Chief Labour Commissioner which cannot be too strongly deprecated. It is to be hoped that public officers should in the discharge of their official duties in future show a greater sense of responsibility than what they have done in the case before us.”

The replies received from associations of labour and employers about the working of the conciliation machinery are extracted below:—

“The experience of our members has been mixed. Some officers have regrettably done more to stir up industrial strife than to conciliate quarrels in an unbiassed and judicial manner. But with time the staff of the Labour Departments have gained experience and it can definitely be said that the conduct of conciliation proceedings has greatly improved and that the provision for such proceedings has reduced strife and saved days which would otherwise have been lost by strikes.” (Indian Tea Association).

“Sometimes conciliation officers act beyond the limits of their normal duties. Otherwise this is a very useful means of settling disputes.” (Indian Tea Planters’ Association, Jalpaiguri).

“Lack of any agenda leads to new points for discussion or new demands for which there is no time to prepare any information.” (Travancore-Cochin Planters’ Associations).

“So long as opinion is held that conciliation officers welcome complaints, so long will they continue to receive them in large numbers. They should take up complaints only after the Works Committee has failed to reach a satisfactory decision.” (Coorg Planters).

“The conciliation officer assume the position of protectors. This attitude has allowed disputes to be created even on flimsy grounds which impairs and does not improve industrial relations. Managers are often summoned to attend conciliation proceedings at distant places. Conciliation officers are inspectors under other Acts. There is a temptation to use authority to coerce an employer to accept certain proposals. They often issue orders to the managements, instead of exploring possibilities of settlements and exceed the authority conferred on them by legislation.”

In Travancore-Cochin it was represented that :

“The employer whose authority to take disciplinary action is curtailed by section 33, is frequently compelled by force of circumstances to yield to Demands which no Tribunal is ever likely to uphold. This association is aware of at least one instance of proceedings being kept pending by the chief conciliation officer inspite of the employer categorically stating that there was no further room for conciliation.”

Another representation was that :

“There are countless instances of matters being taken up as industrial disputes which could have been settled at conciliation stage or rejected as totally in that basis. The writers of this memorandum have attended as many as six successive adjournments of a Tribunal case after travelling more than 70 miles simply because the workers side was unrepresented.”

“There are delays in these proceedings. Some of the labour officers are afraid of managements. Wherever the labour officers report that managements are not co-operating, that they do not give their accounts and therefore, conciliation has failed, I give this assurance, that in such cases we will not withhold adjudication. I am also one of those who feel that conciliation should end within 3 months. It all depends on the status of the officers concerned. What I take 4 hours to settle, my labour officers probably take 4 months to settle. We also have probably not got the proper type of labour officers. We have no Public Services Commission to select them. So, we have to adopt the method of trial and error in recruiting these officers. We have to find out the right type of conciliation officers. The success of labour officers does not depend on the number of cases he successfully conciliates. If he wants proper promotion he should not send many cases for adjudication. I am personally in sympathy with the statement that by the time the Appellate Court decides on the issue, the worker will not be in service or will have died in the meantime. I quite appreciate the stand taken by labour leaders who say that Appellate Tribunals must be washed out..... I have found a tendency more and more among the labour ranks to take the disputes to adjudication. It is not a good sign at all. It takes time to get High Court Judges appointed as Tribunals as you will have to get the permission of the Chief Justice of India or the President. We have got to recruit from retired judges.” (Ex-Minister of Labour and Industries—7th Annual conference—Estate Staff Union of Southern India, Madras, 1953.)

Recruitment of Conciliation Officers in Madras

Conciliation Officers are labour officers. A person recruited direct as labour officer is given training under the Commissioner of Labour or an experienced Labour Officer for a period of 1½ months. The question of prescribing a similar course of training for officers recruited by transfer is also under consideration.

A candidate for direct recruitment as labour officer must possess a degree of Bachelor of Arts, Commerce, Science or Engineering of the Madras or Annamalai University. Preference will be given to those who possess actual experience in a large factory or workshop or as a manager of a department or of foreman and who possess a diploma or certificate of having completed a course of training in social work like that of the Calcutta University or the Sir Dorabji Grade School of Social Work, Bombay or the Madras School of Social work or the Patna University or those who possess the M.A. Degree of the Delhi University in social work or the diploma of the long term course of the School for the Training of Labour Welfare Workers, Bombay (Madras Government).

Delays.—The parties to the industrial disputes specially the representatives of the workers want an early settlement. (Madras Government).

ANNEXURE LVIII

The Working of Tribunals

North

1. *In distribution of incomes.*—Compulsory arbitration (Tribunals) have helped income distribution as will be evident from the issues considered and the awards given by Tribunals.

Darjeeling :

- (a) Restoration of wages paid during the crisis.
- (b) Whether clerical staff are entitled to **puja** bonus and other workers to cloth bonus for 1953 and if so **what** the amount should be.

Assam :

The Appellate Tribunal decided that minimum wages did not include compensation for ration cut as ration at concessional price was an amenity and that minimum wages did not include an amenity according to the Minimum Wages Act.

Tribunals have been useful in fixing scales of pay in the case of monthly rated employees and deciding about the bonus to staff.

Tribunals in Assam decided about the relief for retrenched labourers and compensation for short-working week.

2. *In laying down proper wage policies.*—Tribunals have helped to raise the efficiency of labour by laying down proper wage policies and to educate by management in the payment of due wages to labour.

Arbitration Board in Assam decided on issues relating wages to hours and tasks. Its chairman laid down the following principles.

- (a) To be entitled to dearness allowance, when more work was offered for the normal working day. The dearness allowance would represent the rates of hours worked.
- (b) If the task was not completed, the dearness allowance would be *pro-rata* as in the case of the food concession.
- (c) The industry could insist on both tasks and hours of work. Hence the dearness allowance and food concession would be distributed between morning and afternoon periods.
- (d) Minimum wage could be related to tasks but not to the average quantity of leaf plucked.

These principles enforced legitimate work to be done by labour to be entitled to a full wage. At the same time it insisted on minimum wage for pluckers on the basis of tasks and if task was inadequate, all the same the minimum wage should be paid.

3. *In enforcing rights of management.*—Tribunals in Assam have generally taken the view that they could consider reinstatement of employees only when they related to victimisation as otherwise it would be interference with the rights of the management to hire and fire employees. So long as the right judicial procedure was followed by an employer in discharging and dismissing an employee, the Tribunals have held that they could not interfere.

The following extract of a judgment is quoted as indicating the rights of management in managing their concerns.

“It being the exclusive function of the employer to determine the size of the working force, this Tribunal has no jurisdiction to enlarge the size, specially in the present case when there is no suggestion of intensification of Labour and denial of privileges to the employees as a consequence of the retrenchment. It is also for the employers to decide the individual efficiency of the workmen as also their comparative efficiency. All cases of inefficiency do not warrant dismissal or discharge in the strict sense of the term. But this can always be taken into account in deciding which of the employees should be retained and which should be retrenched.”

“Although there is **nothing** in the Industrial Disputes Act, 1947, to limit the jurisdictions of Industrial Tribunals in any way, the majority of the Judges of Industrial Tribunals all over India interfered with the employer’s decision and action and directed reinstatement when an employee was found to have been wrongfully discharged by way of victimisation or as an unfair labour practice. Most of the Tribunal Judges refused to interfere where the dismissal was found to have been on ground other than victimisation and unfair labour practice, either on the ground of expediency or on account of a restricted view of the jurisdiction of the Industrial Tribunal on this point.”

The judgments of tribunals in the following cases are worth study on this subject in establishing the rights of management.

- (a) Hoograjuli Tea Estate 17-10-1949 . Dismissal of a head clerk for insubordination.
- (b) Jorhat Tea Estate . . . Discharge for shortage of work but given alternative employment.
- (c) Biosahati Tea Estate . . . Two employees were surplus to requirements retrenched.

4. *In disciplining Labour.*—Tribunals have also educated labour leadership and disciplined them by their awards. An Appellate Tribunal was asked to decide whether the introduction of the ticket system for enforcing attendance was against an agreement subsisting between management and labour that latter would be consulted in respect of any alteration of conditions of service. The tribunal held that it did not violate this agreement.

Tribunals have also held that compensation for periods of illegal strikes was unjustified.

Tribunals have been helpful in the maintenance of discipline by upholding the sacking of an employee who created unrest in the garden, and the dismissal of a clerk who refused to carry out duties assigned to him and by condemning the action of a union for preventing retrenched workers from taking employment from another estate and thus saving themselves from any loss.

5. *In enforcing managements' duties to the staff.*—The responsibilities of the management to their staff were clearly laid on them in another judgment. The following judgment of the Tribunal in one case has laid the responsibilities on purchasers of estates to continue in respect of employees.

“When an estate is sold as a running concern, the incoming management must take over the staff in addition to ordinary labour over the same terms and conditions they had under the outgoing management.

6. *In up-holding just punishments to staff.*—It was surprising that the case of a dismissed head clerk in whose house was found building materials of Assam Company was referred at all to a Tribunal. The case also went before the magistrate who said—“the case is true but evidence is insufficient; The union requested for adjudication and Government granted it. The Tribunal upheld the dismissal as justified. (Gebroo Purbat Tea Estate).

South

Tribunals in the South.—As regards the working of tribunals in the South, both labour and employers are dissatisfied. Both complain about the lack of knowledge of industrial practices. Labour says—“the judgments are erratic” and the employer says—“glaringly inadequate and inconsistent”.

ANNEXURE LIX

Labour disputes pending before the Madras Tribunal for awards since March 1952

Issues in respect of staff

1. Fixation of scales of pay for all grades.
2. Revision of dearness allowance and merging a part of dearness allowance with basic salary.
3. Provident fund.
4. Payment of travelling allowance to staff.
5. Fixation of quantum of bonus for 1950-51 and 1951-52 to the staff.

Issues in respect of workers

1. Fixation of wages for field workers, Coal maistries, factory workers and pluckers.
2. Way expenses.
3. Supply of two cumblics every year to every worker.
4. Holiday with wages and leave facilities.
5. Work for six days in a week or fixation of minimum wages for the work.
6. Terms of employment of maistries.
7. Fixation of quantum of bonus for 1952 and 1953 to the workers.

Issues in respect of both the workers and the staff

1. Gratuity.
2. Payment of an interim wage increase.

ANNEXURE I.X

Representations under Section 33 and section 33-A of the Industrial Disputes Act in South India

	No. referred to Tribunal	No. compromised	No. settled in favour of Managements	No. pending	No. taken to Appellate Court
1951-52	5	1	1	3	..
1952-53	3	1	..	..	2 by Management.

SOURCE : South Indian Estate Labour Relations Organisations.

Representations made to Tribunals under section 33-A in Travancore

Year	No. Presented	No. Dismissed	No. Compromised	No. Pending
1953	..	2	..	..
1954	..	5	..	..
1955	12	4	2	6

SOURCE : Government of Travancore-Cochin State.

Representations made to Tribunals in Madras

	1952	1953	1954	1955
No. of awards issued	18	49	49	38

(Also include decisions on applications filed under section 33-A of the Industrial Disputes Act.)

SOURCE : Government of Madras.

SOUTH INDIA

Petitions filed before the Tribunal by Management and employees under section 33 and 33-A in 1953 and 1954

	Management		Labour	
	1952-53	1953-54	1952-53	1953-54
No. of petitions filed	69	119	53	19
Filed	..	39	..	53
Successful	15	63	16	..
Settlement out of court	10	10	11	6
Withdrawal	4	5	5	1
Lost	1 (Partially)	..	2 (1 partially)	25
Pending	39	80	19	40

SOURCE : Indian Estate Labour Relations Organisations.

ANNEXURE LXI

Extracts from the speech of the Vice-President of the Estate Staff Union of South India
1954

Working of Trade Unions

“There are at present more than a dozen unions in the industry for the mazdoors. The leaders of these Unions, vie with one another, not in fighting for the rights of the mazdoors, but in fighting one another. Each man tries to recruit the maximum number of mazdoors to his Union, not because of his desire to make his Union more representative, but because of “the box office takings”, the lion’s share of which goes to enrich the pockets of these so-called leaders. The members are asked to pay not only subscriptions, but donations for all sorts of purposes. A large number of these Unions do not have any regular account books and proper accounts are never kept. They do not have any general body meetings, nor do they have any minute books in which are recorded proceedings of the meetings. Whenever there is any violent criticism, minutes and accounts are “cooked” overnight and presented to the members next morning. One Union leader is reliably understood to have shown Rs. 3,000 as expenses incurred in registering the Union while another leader wrote off Rs. 500 as expenses incurred in welcoming a minister. One man has raised donations several times to meet the Prime Minister or the President of India at New Delhi. The mazdoors are so gullible that they cannot understand they are being cheated, and continue to be fleeced, fondly hoping that their leader is in direct contact with the highest authorities in the country. Some Unions said that their leaders are only interested in prolonging the disputes because the longer the dispute lasts, the more they can fleece the members. Each leader makes a bid for membership, by pitching his demands one step higher. One man in Anamalai promised his members six months’ wages as bonus, whereas his rival promised his members at least one rupee more than what the other Union would be able to get for his members. One promised his members that he would get them 10 days’ leave with pay. These outsiders are lavish not only in their promises, but also in their denunciation of the employers, the estate staff and often the Government too. One of these leaders contested the Presidentship of the Panchayat Board and promised his members that if he was elected, he would see that the estates were divided among the workers.

Contracts are given to these “leaders”, in the estates, and some pay even black money. Thus the Trade Unions of the mazdoors in the planting industry have become a fertile hunting ground of these adventurers. Once the employers exploited the ignorance of the mazdoors. But today, these so called leaders exploit them for their selfish ends. The activities of these men are injurious ultimately to the interests of the mazdoors themselves. Also they are a menace to industrial peace. The Registrar of Trade Unions has sufficient powers to see that all registered trade unions function properly. I appeal to the Government to see that this evil is checked. If Government have not sufficient powers, they should arm themselves with necessary powers if healthy Trade Unionism is to be promoted.”

ANNEXURE LXII

Points from representations received regarding the working of the Industrial Employment Standing Orders Act

Employers' associations have made the following representations about the working of this Act.

1. There was delay in deciding disputes about the contents of the orders. Their registration was very much delayed.

2. Recent acts of indiscipline "wilful", "go-slow" and conduct prejudicial to good order and discipline on the estate might be included among the offences deemed to be gross misconduct and cattle trespass be added to the list of offences deemed misconduct.

3. Suspension should be included as alternative punishment to dismissal or discharge in cases of gross misconduct. (Three days suspension is inadequate where an offence does not require dismissal.)

4. Action under standing orders should not be a subject for industrial disputes.

5. "The tendency on the part of workers to challenge every managerial action has resulted partly from the attitude adopted by the conciliation officers and Tribunals towards the latter. Tribunals often do not appreciate the spirit of the standing orders and endeavour to conform too much to the letter of the law."

6. Some workers evaded charge sheets and non-participated in the enquiry and after a year claimed their discharge was not proper. There were also several pending claims by workers who had voluntarily abandoned employment but claimed re-employment after a year or more before the Madras Tribunal.

Trade Unions made the following representations :—

1. The certifying officer cannot decide about the fairness of the orders.
2. Trade Unions were not consulted about the orders.
3. Workers should have a right to complain to certifying officers.

ANNEXURE LXIII

Railway rates for transport of tea to Calcutta from 1950 to 1953

Tea despatched by rail is subject to the following telescoping rates :—

In pies per 100 pounds per Mile

For the first 300 miles . Plus for the next 300 Miles Plus per distances beyond 600 miles

1·18

1·09

1·02

The Standard Terminal charge of 7·29 pies per 100 pounds at each end when loading and unloading is done by the owners.

Terminal charge of 9·72 pies per 100 pounds at each end if loading and unloading is done by Railway Authorities.

Transshipment charge of 3·65 pies per 100 pounds at each break of gauge or transshipment point.

Ferry charge at Manihari Ghat 2·13 annas per 100 pounds.

Ghat charges 1·62 annas per 100 pounds.

SOURCE : Indian Tea Association.

Statement showing freight rates quoted by the Joint Steamer Companies for the movement of tea from representative stations in Assam and Cachar to T.T. Sheds (Calcutta)

From Stations	Inclusive rate per md. of 80 lbs.	
		Rs. a. p.
Dhubri Steamer Ghat	2	1 6
Gauhati B. Ghat	3	4 11
czpur Ghat	3	9 5
Namati Steamer Ghat	3	14 8
Desangmukh	4	4 3
Dibrugarh Depot	4	8 0
Karimganj Ghat	3	0 6
Badarpur Steamer Ghat	3	1 6
Silchar Ghat	3	4 0

SOURCES : Joint Steamer Companies.

ANNEXURE LXIII—*contd.*

*Statement showing freight rates quoted by "Indian Airlines Corporation"
for the movement of tea from Airport to Airport*

Agartala/Calcutta	. . . . .	0 1 0	Per lb. Port to Port.
Khowai/Calcutta	. . . . .	0 1 3	Ditto.
K'Pur/Calcutta	. . . . .	0 1 6	Ditto.
K'Shur/Calcutta	. . . . .	0 1 6	Ditto.
Gauhati/Calcutta	. . . . .	0 1 3	January to August till 1953 ¹ and after that.
Gauhati/Calcutta	. . . . .	0 1 6	September to December rate is -1/3 per lb. in all seasons.
Tezpur/Calcutta	. . . . .	0 1 6	Per lb. Port to Port.
Jorhat/Calcutta	. . . . .	0 1 6	Ditto.
M'Bari/Calcutta	. . . . .	0 1 9	Ditto.
Silchar/Calcutta	. . . . .	0 2 0	Per lb. till February 1954.
Silchar/Calcutta	. . . . .	0 1 9	Per lb. from February, 1954.

ANNEXURE LXIV

Statement showing working capital employed by 250 tea companies in North India

1951

Col. 3 in thousand acres.
Col. 4 in thousand lbs.
Cols. 5 to 9 in thousand rupees.

Type of Ownership/Management	No. of Cos.	Acreage	Pro-duction	Working Capital Employed										Working Capital per lb.	Percent- age of			Percent- age of
				Loans from				Own Re-sources							Percent- age of			
				Man-aging Agents	Banks	Others	Total	5 to 9	6 to 9	7 to 9	8 to 9	9 to 9	10 to 9		11 to 9	12 to 9	13 to 9	
1	2	3	4	5	6	7	8	9	10	11	12	13	14					
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.																		
104	2,76	232,295	1,33,58	7,37,65	..	27,28,72	35,99,95	1'55	3'71	20'49	..	75'80						
<i>Rupree Companies :</i>																		
<i>Non-Indian Managing Agents Control—</i>																		
41	38	29,691	1,12,97	64,06	..	3,82,52	5,59,55	1'88	20'19	11'45	..	68'36						
41	42	33,104	1,97,39	71,93	..	2,35,50	5,04,82	1'52	39'10	14'25	..	46'63						
<i>Indian Managing Agents Control :</i>																		
11	5	3,826	..	28,13	..	26,07	54,20	1'41	..	51'90	..	48'10						
12	8	6,836	25	34,50	..	66,84	1,01,59	1'48	0'25	33'96	..	65'79						
<i>Outside Managing Agents Control :</i>																		
25	16	13,658	..	1,01,08	..	56,54	1,57,62	1'15	..	64'13	..	35'87						
8	3	2,601	..	23,69	..	9,79	33,48	1'36	..	72'41	..	27'59						
1	0'3	137	..	1,10	..	2,00	3,10	2'26	..	35'45	..	64'55						

ANNEXURE LXIV—contd.

1951—contd.

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Proprietary and Partnership Concerns:													
Indian	6	2	1,040	..	80	..	9,47	10,27	0'99	..	7'79	..	92'21
Non-Indian	1	2	1,719	2,47	2,28	..	18,40	23,15	1'35	10'66	9'86	..	79'48
TOTAL	250	3,92'3	324,907	4,46,66	10,65,22	..	35,35,85	50,47,73	1'55	8'85	21'13	..	70'02
1952													
Sterling Companies (Controlled by Managing Agents)/ Secretaries, etc.,													
Rupet Companies :	104	2,76	231,384	2,24,11	13,97,47	..	22,68,79	38,90,37	1'68	5'76	35'92	..	58'32
Non-Indian Managing Agents Control:													
Non-Indian	41	38	29,590	1,80,54	89,97	96	2,39,40	5,10,87	1'73	35'34	17'61	0'19	46'86
Partly Indian and Partly Non-Indian.	41	42	32,969	2,62,56	89,81	..	1,85,81	5,38,18	1'63	48'79	16'69	..	34'52
Indian Managing Agents Control:													
Indian	11	5	3,394	25	27,29	46	24,13	52,13	1'54	0'48	52'34	0'88	46'30
Partly Indian and Partly Non-Indian.	12	8	7,432	8,20	1,04,00	..	—3,05	1,09,15	1'47	7'52	95'26	..	—2'78
Outside Managing Agents Control :													
Public Ltd. Indian	25	16	11,536	..	1,00,54	..	41,89	1,42,43	1'23	..	70'59	..	29'41
Private Ltd. Indian	8	3	4,535	..	28,73	..	7'07	35,80	0'79	..	80'25	..	19'75
Private Ltd. Non-Indian	1	0'3	144	..	1,10	..	1,66	2,76	1'92	..	39'81	..	60'19
Proprietary and Partnership Concerns:													
Indian	6	2	932	..	75	..	9,15	9,90	1'06	..	7'57	..	92'43
Non-Indian	1	2	1,471	3 11	5,00	..	13 31	21,42	1'46	4'54	23'31	..	62'10
TOTAL	250	3,92'3	323,387	6,78,77	18,44,66	1,42	27,88,16	53,13,01	1'64	12'78	34'72	0'03	52'47

ANNEXURE LXIV—contd.

1953

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>		104	2,76	225,278	1,20,75	10,65,73	..	23,12,77	34,99,25	1'55	3'45	30'46	..	66'09
<i>Rupree Companies :</i>														
<i>Non-Indian Managing Agents Control :</i>														
Non Indian . . .	41	38	27,893	2,10,44	1,29,89	60	1,13,96	4,54,89	1'63	46'26	28'55	0'13	25'06	
Partly Indian and Partly Non-Indian.	41	42	33,592	1,69,79	89,00	..	2,30,27	4,89,06	1'46	34'72	18'20	..	47'08	
<i>Indian Managing Agents Control :</i>														
Indian . . .	11	5	3,533	25	25,11	11	17,89	43,36	1'23	0'58	57'92	0'25	41'25	
Partly Indian and Partly Non-Indian.	12	8	7,324	8,20	57,50	..	35,42	1,01,12	1'38	8'11	56'86	..	35'03	
<i>Outside Managing Agents Control :</i>														
Public Ltd. Indian . .	25	16	13,064	..	85,10	..	51,63	1,36,73	1'05	..	62'24	..	37'76	
Private Ltd. Indian . .	8	3	2,029	..	27,56	..	5,30	32,86	1'62	..	83'87	..	16'13	
Private Limited Non-Indian	1	0'3	126	..	1,10	..	1,47	2,57	2'04	..	42'83	..	57'17	
<i>Proprietary and Partnership Concerns :</i>														
Indian . . .	6	2	845	..	25	..	10,85	11,10	1'31	..	2'25	..	97'75	
Non-Indian . . .	1	2	1,366	1,76	14,55	..	7,16	23,47	1'72	7'5	61'99	..	30'51	
TOTAL	250	3,92.3	315,050	5,11,19	14,95,79	71	27,86,72	47,94,41	1'52	10'66	31'21	0'01	58'12	

ANNEXURE LXIV—contd.
Statement showing working capital employed by 37 tea companies in South India

1951

1	2	3	4	5	6	7	8	9	10	11	12	13	14
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>	6	51	40,164	..	58,00	..	3,12,61	3,70,61	0.92	..	15.65	..	84.35
<i>Rupes Companies : Non-Indian Managing Agents Control:</i>													
Partly Indian and Partly Non-Indian	8	8	7,869	6,11	..	..	37,77	43,88	0.56	13.92	..	..	86.08
<i>Indian Managing Agents Control:</i>													
Indian	9	5	3,350	..	1,25	..	36,91	38,16	1.14	..	3.28	..	96.72
<i>Outside Managing Agents Control :</i>													
Public Ltd. Indian	2	0.9	1,377	..	..	..	5,56	5,56	0.40	..	..	..	100
<i>Proprietary and Partnership concerns:</i>													
Indian	6	2	777	..	27	..	6,73	7,00	0.90	..	3.86	..	96.14
Non-Indian	6	2	1,467	..	..	..	6,75	6,75	0.46	..	..	..	100
TOTAL	37	68.9	55,004	6,11	59.52	..	4,06,33	4,71,96	0.86	1.29	12.61	..	86.09

ANNEXURE LXIV—contd.

1952

1	2	3	4	5	6	7	8	9	10	11	12	13	14
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)	6	51	38,667	..	58,00	..	3,23,38	3,81,38	..	15'21	..	84'79	0'99
<i>Rupree Companies:</i> <i>Non-Indian Managing Agents Control:</i> Partly Indian and partly Non-Indian.	8	8	8,000	11,93	..	..	36,95	48,88	24'41	..	..	75'59	0'61
<i>Indian Managing Agents Control:</i> Indian	9	5	3,022	..	1,01	6,74	34,28	42,03	..	2'41	16'03	81'56	1'39
<i>Outside Managing Agents Control</i> Public Ltd. Indian	2	0'9	1,334	..	..	..	5,76	5,76	..	..	..	100	0'43
<i>Proprietary and Partnership Concerns:</i> Indian	6	2	894	..	35	..	11,69	12,04	..	2'91	..	97'09	1'35
Non-Indian	6	2	1,333	..	..	..	7,07	7,07	..	..	..	100	0'53
TOTAL	37	68'9	53,250	11,93	59,36	6,74	4,19,13	4,97,16	2'40	11'94	1'36	84'30	0'93

ANNEXURE LXIV—contd.

1953

1	2	3	4	5	6	7	8	9	10	11	12	13	14
<i>Sterling Companies (Controlled by Managing Agents/ Secretaries, etc.)</i>	6	51	39,136	..	95,00	..	3,36,74	4,21,74	1'08	..	22'53	..	77'47
<i>Rupree Companies : Non-Indian Managing Agents Control :</i>													
Partly Indian and Partly Non-Indian.	8	8	8,623	9,04	..	..	36,87	45,91	0'53	19'69	..	..	80'31
<i>Indian Managing Agents Control:</i>													
Indian	9	5	3,236	..	1,08	3,02	37,52	41,62	1'29	..	2'59	7'25	90'16
<i>Outside Managing Agents Control:</i>													
Public Ltd. Indian	2	0.9	1,992	..	2,13	..	3,89	6,02	0'30	..	35'40	..	64'60
<i>Proprietary and Partnership Concerns:</i>													
Indian	6	2	930	..	40	..	11,13	11,53	1'24	..	3'47	..	96'53
Non-Indian	6	2	1,651	..	..	..	7,43	7,43	0'45	..	..	..	100
TOTAL	37	68.9	55,568	9,04	98,61	3,02	4,23,58	5,34,25	0'96	1'69	16'46	0'56	79.29

SOURCE : Replies to questionnaire.

ANNEXURE LXVI

Statement showing requirements of future capital expenditure (analysis management-wise)

Type of ownership/management	Total Analysed			Those not requiring funds and not given estimate for future capital expenditure			Those not requiring funds given their own and partly outside) and given estimates for future capital expenditure			Those who require funds (partly their own and partly outside) and given estimates for future capital expenditure		
	No.	Acreage	No.	Acreage	No.	Acreage	Amount (in '000 Rs.)	Acreage	Amount (in '000 Rs.)	No.	Acreage	Amount (in '000 Rs.)
<i>Sterling Companies (Controlled by Managing Agents; Secretaries etc.)</i>	112	3,29,909	81	2,27,215	17	38,487	94.97	64,207	66,56			
<i>Rupree Companies :</i>												
<i>Non-Indian Managing Agents Control :</i>												
Non-Indian	38	34,968	33	27,466	1	662	1.42	6,840	16,45			
<i>Partly Indian and Partly Non-Indian</i>												
<i>Indian Managing Agents Control :</i>												
Indian	61	68,723	36	32,769	10	15,533	1,50,01	20,401	36,63			
<i>Partly Indian and Partly Non-Indian</i>												
Indian	23	24,503	4	8,549	5	2,049	12,98	13,905	78,66			
<i>Outside Managing Agents Control :</i>												
Public Ltd. Indian	52	30,509	1	829	6	2,720	36.86	26,960	4,09,21			
Private Ltd. Indian	14	4,835	5	9,357	3	762	23.17	1,736	49,90			
Private Ltd. Non-Indian	1	827	1	827	..	..	..	..	..
<i>Proprietary and Partnership concerns :</i>												
Indian	28	11,823	7	3,071	4	1,000	23.49	7,742	81,46			
Non-Indian	11	3,408	2	456	8	2,699	20.54	253	2,00			
TOTAL	346	5,12,731	170	3,03,519	54	63,932	3,63.44	1,45,280	7,49.24			

Sources : Returns received from the estates.

ANNEXURE LXVII

Quantities of tea sold at the different auction centres

(A) CALCUTTA

(In thousand lbs.)

Year	Export	Consumption in India	Total
1951-52	207,128	68,880	276,008
1952-53	217,618	68,505	286,123
1953-54	188,468	84,471	272,939
1954-55 (up to 1st March).	167,720	93,415	261,135

(B) COCHIN

Year	Export	Consumption in India	Total
1951	17,717	2,506	20,223
1952	22,082	3,116	25,198
1953	28,960	4,349	33,309
1954	22,153	6,991	29,144

(C) LONDON

Year	North India	South India	Total
1951	41,359	12,211	53,570
1952	168,362	24,515	192,877
1953	187,386	25,383	212,769
1954	162,367	28, 0	190,416

SOURCE : Tea Statistics, 1954.

ANNEXURE LXVIII

Quantities shipped to London for sale otherwise than through auctions

(In lbs.)

Year		North India	South India	Total
1951	. . . . .	179,137,442	33,836,957	212,974,399
1952	. . . . .	169,770,089	36,414,697	206,184,786
1953	. . . . .	219,617,524	37,135,182	256,752,706
1954	. . . . .	185,614,547	40,650,898	226,265,445

SOURCE : Tea Board.

ANNEXURE LXIX

Table showing the method of disposal of the different grades of tea produced by reporting estates (according to types of companies and regions)

1951

Sterling Companies.

(In thousand lbs.)

Method of disposal I	No. of Estates 2	.											Total 13
		F.O.P. 3	B.P. 4	B. O. P. 5	O.P. 6	P.S. 7	B.P.S. 8	Fannings 9	Dust 10	Others 11	Waste 12		
<i>North India</i>													
London Auction	124	14	12,627	9,244	53	..	2,346	27,028	268	420	..	52,000	
Calcutta Auction		294	7,265	5,137	495	25	1,509	8,122	14,542	1,441	..	38,830	
Direct to buyers in India and abroad		5	3,654	2,878	207	..	1,268	3,451	488	3,727	..	15,678	
Other Sales		*	52	17	*	..	*	7	230	141	31	478	
TOTAL		313	23,598	17,276	755	25	5,123	38,608	15,528	5,729	31	106,986	
<i>South India</i>													
London Auction	81	..	4,682	7,516	3	..	..	6,929	..	472	..	19,602
Cochin Auction		..	566	3,722	194	..	..	1,398	1,410	702	..	7,992
Direct to buyers in India and abroad		..	3,741	5,625	38	..	..	2,882	8,608	3,815	1	24,710
Other sales		..	8	..	..	..	..	51	..	..	..	59
TOTAL		..	8,997	16,863	235	..	..	11,260	10,018	4,989	1	52,363
<i>All India</i>													
London Auction	205	14	17,309	16,760	56	..	2,346	33,957	268	892	..	71,602	
Calcutta/Cochin Auction		294	7,831	8,859	689	25	1,509	9,520	15,952	2,143	..	46,822	
Direct to buyers in India and abroad		5	7,395	8,593	245	..	1,268	6,333	9,096	7,542	1	40,388	

ANNEXURE LXIX—*contd.*
1951—*contd.*

1	2	3	4	5	6	7	8	9	10	11	12	13
Other Sales		*	60	17	*	..	*	58	230	141	31	537
TOTAL		313	32,595	34,139	990	25	5,123	49,868	25,546	10,718	32	159,349
1952												
<i>North India</i>	124											
London Auction		42	10,487	7,819	111	..	271	30,315	4	66	..	49,315
Calcutta Auction		286	7,366	3,958	432	7	1,471	8,517	19,447	1,500	..	42,984
Direct to buyers in India and abroad		5	3,914	2,620	222	..	1,212	3,969	415	1,323	..	13,680
Other sales		*	64	16	*	..	101	*	68	157	27	433
TOTAL		333	21,831	14,413	765	7	3,055	43,001	19,934	3,046	27	106,412
<i>South India</i>	81											
London Auction . . . . .		..	2,743	7,871	..	..	..	7,445	68	118	..	18,245
Cochin Auction . . . . .		..	560	4,127	143	..	..	2,329	1,349	637	..	9,145
Direct to buyers in India and abroad . . . . .		..	1,548	3,676	45	..	..	4,509	8,323	2,921	..	21,022
Other Sales . . . . .		..	55	..	..	..	..	23	..	..	..	78
TOTAL . . . . .		..	4,906	15,674	188	..	..	14,306	9,740	3,676	..	48,490
<i>All India</i>	205											
London Auction		42	13,230	15,690	111	..	271	37,960	72	184	..	67,560
Calcutta/Cochin Auction		286	7,926	8,085	575	7	1,471	10,846	20,796	2,137	..	52,129
Direct to buyers in India and abroad		5	5,462	6,296	267	..	1,212	8,478	8,738	4,244	..	34,702
Other Sales		*	119	16	*	..	101	23	68	157	27	511
TOTAL		333	26,737	30,087	953	7	3,055	57,307	29,674	6,722	27	154,902

ANNEXURE LXIX—*contd.*
1953

1	2	3	4	5	6	7	8	9	10	11	12	13
<i>North India</i>												
London Auction	:	:	:	:	124	..	689	39,290	48	350	..	59,035
Calcutta Auction	1,638	6,987	16,959	1,449	..	35,525
Direct to buyers in India and abroad	679	3,810	210	550	..	9,942
Other Sales	69	*	*	31	25	174
TOTAL	.	292	17,903	12,943	754	..	3,075	50,087	17,217	2,380	25	104,676
<i>South India</i>												
London Auction	81	..	..	7,747	...	27	..	17,627
Cochin Auction	2,976	1,666	483	..	11,125
Direct to buyers in India and abroad	6,167	7,955	2,422	..	23,144
Other Sales	41	..	..	49
TOTAL	.	..	3,939	18,286	236	..	..	16,890	9,662	2,932	..	51,945
<i>All India</i>												
London Auction	:	:	:	:	205	..	689	47,037	48	377	..	76,662
Calcutta/Cochin Auction	1,638	9,963	18,625	1,932	..	46,650
Direct to buyers in India and abroad	679	9,977	8,165	2,972	..	33,086
Other Sales	69	*	41	31	25	223
TOTAL	.	292	21,842	31,229	990	..	3,075	66,977	26,879	5,312	25	156,621

ANNEXURE LXIX—*contd.*

1951

Rupee Non-Indian companies under Non-Indian Managing Agency.

	1	2	3	4	5	6	7	8	9	10	11	12	13
<i>North India/All India</i>	13								
London Auction	165	171	..	34	220	..	9	..
Calcutta Auction	304	2,683	1,735	275	..	1,484	1,412	..
Direct to buyers in India and abroad	24	28	..	..	26	7	..
Other Sales	57	7
TOTAL	.	.	304	2,872	1,934	275	..	207	2,894	1,484	1,485	7	11,462

1952

<i>North India/All India</i>	.	.	.	.	13								
London Auction	.	.	.	.	.	63	191	..	..	231	..	..	505
Calcutta Auction	.	.	.	.	.	347	1,896	2,361	280	..	1,981	497	..
													10,202

ANNEXURE LXIX—*cont'd.*1952—*cont'd.*

1	2	3	4	5	6	7	8	9	10	11	12	13
Direct to buyers in India and abroad	.	..	57	20	..	..	5	12	..	5	..	99
Other Sales	25	6	31
Total	.	347	2,016	2,572	280	..	185	2,923	1,981	527	6	10,837

1953

North India, All India	.	.	.	13								
London Auction	.	.	.	19	119	..	..	214	..	..	..	352
Calcutta Auction	.	.	.	350	2,364	2,287	300	..	224	2,718	1,250	972
Direct to buyers in India and abroad	.	..	8	3	..	..	..	5	25	..	2	..
Other Sales	.	..	..	..	..	..	..	..	..	..	6	6
Total	.	350	2,391	2,400	300	..	229	2,957	1,250	974	6	10,866

ANNEXURE—LXIX—contd.

1951

Rupee Partly Non-Indian and Partly Indian companies under Non-Indian Managing Agency:

	1	2	3	4	5	6	7	8	9	10	11	12	13
<i>North India</i>													
London Auction	84	20	789	7,743	444	140	..	14,001
Calcutta Auction	140	44	215	861	2,142	251	..	4,909
Direct to buyers in India and abroad	.	.	*	72	43	..	..	24	46	43	1,624	..	1,852
Other Sales	12	4	16
TOTAL	.	.	104	3,171	2,877	224	64	1,028	8,650	2,629	2,027	4	20,778
<i>South India</i>													
London Auction	279	225	..	..	398	21	..	10	..	933
Cochin Auction	1,127	3,284	237	..	249	2,241	398	731	..	8,267
Direct to buyers in India and abroad	318	858	110	17	244	1,165	1,768	119	26	4,625
Other Sales	3	..	..	..	..	..	70	..	73
TOTAL	1,724	4,370	347	17	891	3,427	2,166	930	26	13,898
<i>All India</i>													
London Auction	2,788	2,497	84	20	1,187	7,764	444	150	..	14,934
Calcutta/Cochin Auction	.	.	104	1,717	3,846	377	44	464	3,102	2,540	982	..	13,176
Direct to buyers in India and abroad	.	.	*	390	901	110	17	268	1,211	1,811	1,743	26	6,477
Other Sales	3	..	..	..	..	..	82	4	89
TOTAL	.	.	104	4,895	7,247	571	81	1,919	12,078	4,795	2,957	30	34,676

ANNEXURE LXIX—contd.

1952

1	2	3	4	5	6	7	8	9	10	11	12	13
<i>North India</i>												
London Auction	32	..	1,673	1,865	66	..	251	7,890	531	14	5	12,295
Calcutta Auction		97	735	657	113	4	284	1,927	3,085	89	2	6,993
Direct to buyers in India and abroad		..	91	54	..	..	12	29	..	394	..	580
Other Sales		..	..	..	..	..	..	..	..	7	4	11
TOTAL		97	2,499	2,576	179	4	547	9,846	3,616	504	11	19,879
<i>South India</i>												
London Auction	28	..	97	531	..	..	83	210	..	7	..	928
Cochin Auction		9	644	4,315	146	..	280	2,693	406	351	13	8,857
Direct to buyers in India and abroad		*	113	122	66	6	87	1,094	1,578	145	24	3,235
Other Sales		..	..	4	..	..	..	..	..	42	..	46
TOTAL		9	854	4,972	212	6	450	3,997	1,984	545	37	13,066
<i>All India</i>	60											
London Auction		..	1,770	2,396	66	..	334	8,100	531	21	5	13,223
Calcutta/Cochin Auction		106	1,379	4,972	259	4	564	4,620	3,491	440	15	15,850

ANNEXURE LXIX—*contd.*
1952—*contd.*

	1	2	3	4	5	6	7	8	9	10	11	12	13
Direct to buyers in India and abroad	.	.	*	204	176	66	6	99	1,123	1,578	539	24	3,815
Other Sales	4	..	..	..	..	..	49	4	57
TOTAL	.	106	3,353	7,548	391	10	997	13,843	5,600	1,049	48	32,945	
1953													
North India													
London Auction	.	32	..	1,216	2,153	52	..	239	9,962	556	11	..	14,189
Calcutta Auction	.	..	93	523	764	85	..	91	1,322	2,510	109	..	5,497
Direct to buyers in India and abroad	23	21	..	..	2	11	..	154	..	211
Other Sales	3	3
TOTAL	.	93	1,762	2,938	137	..	332	11,295	3,066	274	3	19,900	
South India													
London Auction	.	28	..	..	790	..	..	2	407	..	..	..	1,199
Cochin Auction	.	..	2	155	4,688	139	12	208	3,292	659	149	18	9,322
Direct to buyers in India and abroad	136	337	73	..	130	1,312	1,804	281	..	4,073
Other Sales	4	..	..	..	..	..	36	..	40
TOTAL	.	2	291	5,819	212	12	340	5,011	2,463	466	18	14,634	
All India													
London Auction	.	60	..	1,216	2,943	52	..	241	10,369	556	11	..	15,388
Calcutta /Cochin Auction	.	95	..	678	5,452	224	12	299	4,614	3,169	258	18	14,819
Direct to buyers in India and abroad	159	358	73	..	132	1,323	1,804	435	..	4,284
Other Sales	4	..	..	..	..	..	36	3	43
TOTAL	.	95	2,053	8,757	349	12	672	16,306	5,529	740	21	34,534	

Rupree Indian Companies under Indian Managing Agencies.


	1	2	3	4	5	6	7	8	9	10	11	12	13
<i>North India</i>
London Auction	.	2	..	..	..	..	..	..	..	..	..	..	..
Calcutta Auction	18	162	31	..	49	177	17	13	..	467
Direct to buyers in India and abroad	2	..	..	..	..	2	11	17	10	42
Other Sales	1	2	..	..	..	..	..	..	..	3
TOTAL	21	164	31	..	49	179	28	30	10	512
<i>South India</i>	.	13	.	.	.	.	.	.	.	.	.	.	.
London Auction	11	..	..	..	..	3	..	..	..	14
Cochin Auction	375	1,292	11	..	5	674	177	154	..	2,688
Direct to buyers in India and abroad	47	73	71	..	51	105	1,069	21	78	1,515
Other Sales
TOTAL	433	1,365	82	..	56	782	1,246	175	78	4,217
<i>All India</i>	.	15	.	.	.	.	.	.	.	.	.	.	.
London Auction	11	..	..	..	..	3	..	..	..	14
Calcutta/Cochin Auction	393	1,454	42	..	55	851	193	167	..	3,155
Direct to buyers in India and abroad	49	73	71	..	50	107	1,081	38	88	1,557
Other Sales	1	2	..	..	..	..	..	..	..	3
TOTAL	454	1,529	113	..	105	961	1,274	205	88	4,729

ANNEXURE LXIX—contd.

1952

1	2	3	4	5	6	7	8	9	10	11	12	13
<i>North India</i>
London Auction	2	..	..	..	..	..	..	..	..	..	17	17
Calcutta Auction	.	5	2	133	38	..	9	56	16	180	..	439
Direct to buyers in India and abroad	.	..	2	..	..	..	..	1	6	2	..	11
Other Sales	4	..	..	..	..	..	1	..	5
TOTAL	.	5	4	137	38	..	9	57	22	183	17	472
<i>South India</i>
London Auction	13	..	127	681	..	..	..	461	..	..	..	1,269
Cochin Auction	.	..	88	737	22	..	..	344	216	30	88	1,525
Direct to buyers in India and abroad	.	..	19	60	4	..	..	115	880	18	194	1,290
Other Sales
TOTAL	.	..	234	1,478	26	..	..	920	1,096	48	282	4,084
<i>All India</i>
London Auction	15	..	127	681	..	..	..	461	..	..	17	1,286
Calcutta/Cochin Auction	.	5	90	870	60	..	9	400	232	210	88	1,964
Direct to buyers in India and abroad	.	..	21	60	4	..	..	116	886	20	194	1,301
Other Sales	4	..	..	..	..	..	1	..	5
TOTAL	.	5	238	1,615	64	..	9	977	1,118	231	299	4,556

ANNEXURE LXIX—*contd.*
1953

1	2	3	4	5	6	7	8	9	10	11	12	13
												
<i>North India</i>	2											
London Auction	.	.	.	.	.	.	.	.	1	..	1	3
Calcutta Auction	.	3	30	93	18	..	29	79	6	150	..	408
Direct to buyers in India and abroad	.	..	..	..	..	..	..	..	7	24	..	31
Other Sales	.	..	2	1	..	..	..	1	..	*	..	4
TOTAL	.	3	33	94	18	..	29	80	14	174	1	446
<i>South India</i>	13											
London Auction	.	.	..	820	..	..	..	681	..	..	..	1,501
Cochin Auction	.	..	33	478	8	..	..	435	239	97	..	1,290
Direct to buyers in India and abroad	.	..	16	62	5	..	..	106	1,260	19	7	1,475
Other Sales	.	..	..	..	..	..	..	..	..	..	..	..
TOTAL	.	..	49	1,360	13	..	..	1,222	1,499	116	7	4,266
<i>All India</i>	15											
London Auction	.	..	1	820	..	..	..	681	1	..	1	1,504
Calcutta/Cochin Auction	.	3	63	571	26	..	29	514	245	247	..	1,698
Direct to buyers in India and abroad	.	..	16	62	5	..	..	106	1,367	43	7	1,506
Other Sales	.	..	2	1	..	..	..	1	..	*	..	4
TOTAL	.	3	82	1,454	31	..	29	1,302	1,513	290	8	4,712

ANNEXURE LXIX—*contd.*

1951

Rupee partly Non-Indian and partly Indian companies under India Managing Agency.

	1	2	3	4	5	6	7	8	9	10	11	12	13
<i>North India/All India</i>													
London Auction	.	.	.	55	69	...	..	32	64	..	..	..	220
Calcutta Auction	.	.	164	1,073	1,264	192	..	276	1,595	1,163	146	..	5,873
Direct to buyers in India and abroad	.	.	3	..	1	..	..	..	10	9	150	..	173
Other Sales	.	.	*	1	3	*	..	*	*	*	12	4	20
TOTAL	.	.	167	1,129	1,337	192	..	308	1,669	1,172	308	4	6,286
1952													
<i>North India/All India</i>													
London Auction
Calcutta Auction	.	.	112	949	1,496	164	..	265	2,146	1,348	136	..	6,616
Direct to buyers in India and abroad	.	.	5	..	1	..	..	..	*	1	128	..	135
Other Sales	1	3	*	..	*	*	*	14	10	28
TOTAL	.	.	117	950	1,500	164	..	265	2,146	1,349	278	10	6,779

ANNEXURE LXIX—*contd.*

1953

	1	2	3	4	5	6	7	8	9	10	11	12	13
<i>North India/All India</i>								12					
London Auction					6	..	..	..	3	..	..	..	9
Calcutta Auction			115	1,042	1,550	315	..	229	2,213	838	229	..	6,531
Direct to buyers in India and abroad			7	14	14	..	..	*	*	5	21,	..	61
Other Sales			*	1	3	*	*	*	*	*	6	2	12
Total			122	1,057	1,573	315	..	229	2,216	843	256	2	6,613

ANNEXURE—LXIX—contd.

1951

Rupee Public Limited Companies Director-controlled—Indian.

1	2	3	4	5	6	7	8	9	10	11	12	13
<i>North India</i>
London Auction	16	..	..	..	..	..	..	..	..	..	..	..
Calcutta Auction	.	9	1,252	921	245	19	1,066	2,104	1,288	295	..	7,199
Direct to buyers in India and abroad	.	..	4	3	..	..	2	11	16	598	10	644
Other Sales	3	2	4	..	9
TOTAL	.	9	1,256	924	245	19	1,068	2,118	1,306	897	10	7,852
<i>South India</i>
London Auction	3	..	..	..	..	..	..	..	..	..	..	..
Cochin Auction	.	..	44	124	5	..	..	77	71	39	7	367
Direct to buyers in India and abroad	.	..	3	1	*	..	..	2	229	7	..	242
Other Sales
TOTAL	.	..	47	125	5	..	..	79	300	46	7	609
<i>All India</i>
London Auction	19	..	..	..	..	..	..	..	..	..	..	..
Calcutta/Cochin Auction	.	9	1,296	1,045	250	19	1,066	2,181	1,359	334	7	7,566
Direct to buyers in India and abroad	.	..	7	4	*	..	2	13	245	605	10	886
Other Sales	3	2	4	..	9
TOTAL	.	9	1,303	1,049	250	19	1,068	2,197	1,606	943	17	8,461

ANNEXURE LXIX—*contd.*

1952

	1	2	3	4	5	6	7	8	9	10	11	12	13
<i>North India</i>													
London Auction		16	..	..	..	..	..	..	..	..	..	..	..
Calcutta Auction			18	673	1,029	260	13	402	1,893	1,431	252	..	5,971
Direct to buyers in India and abroad			..	8	1	1	..	1	5	18	633	..	667
Other Sales			..	*	*	2	1	3	..	6
TOTAL			18	681	1,030	261	13	403	1,900	1,450	888	..	6,644
<i>South India</i>													
London Auction		3	..	..	..	..	..	..	..	..	..	..	..
Cochin Auction			..	16	60	3	..	..	31	123	8	10	251
Direct to buyers in India and abroad			..	105	8	..	..	..	14	271	4	..	402
Other Sales		
TOTAL			..	121	68	3	..	..	45	394	12	10	653
<i>All India</i>													
London Auction		19	..	..	..	..	..	..	..	..	..	..	..
Calcutta/Cochin Auction			18	689	1,089	263	13	402	1,924	1,554	260	10	6,222
Direct to buyers in India and abroad			..	113	9	1	..	1	19	289	637	..	1,069

ANNEXURE LXIX—contd.
1952—contd.

	2	3	4	5	6	7	8	9	10	11	12	13
Other Sales . . . . .		..	*	*	..	..	..	2	1	3	..	6
TOTAL		18	802	1,098	264	13	403	1,945	1,844	900	10	7,297
1953												
<i>North India</i>												
London Auction	16	..	..	..	..	..	..	..	..	..	..	..
Calcutta Auction		28	981	1,093	286	2	747	2,016	1,170	424	..	6,747
Direct to buyers in India and abroad . . . . .		..	13	39	19	..	15	17	6	827	..	936
Other sales . . . . .		..	1	*	..	..	..	8	8	10	..	27
TOTAL		28	995	1,132	305	2	762	2,041	1,184	1,261	..	7,710
<i>South India</i>												
London Auction	3	..	..	..	..	..	..	..	..	..	..	..
Cochin Auction . . . . .		..	41	115	4	..	..	70	99	27	13	369
Direct to buyers in India and abroad . . . . .		..	..	1	..	..	..	8	293	7	..	309
Other Sales . . . . .		..	..	..	..	..	..	..	..	..	..	..
TOTAL . . . . .		..	41	116	4	..	..	78	392	34	13	678
<i>All India</i>												
London Auction	19	..	..	..	..	..	..	..	..	..	..	..
Calcutta/Cochin Auction		28	1,022	1,208	290	2	747	2,086	1,269	451	13	7,116
Direct to buyers in India and abroad . . . . .		..	13	40	19	..	15	25	299	834	..	1,245
Other Sales . . . . .		..	1	*	..	..	..	8	8	10	..	27
TOTAL		28	1,036	1,248	309	2	762	2,119	1,576	1,295	13	8,388

ANNEXURE LXIX—contd.

1951

Rupee Private Limited Companies; Director-controlled—Indian.

	1	2	3	4	5	6	7	8	9	10	11	12	13
<i>North India</i>													
London Auction
Calcutta Auction	.	.	8	66	36	15	.	2	44	20	15	.	206
Direct to buyers in India and abroad	1	.	1
Other Sales
TOTAL			8	66	36	15	.	2	44	20	16	.	207
<i>South India</i>													
London Auction
Cochin Auction
Direct to buyers in India and abroad	.	.	.	35	26	.	.	.	16	43	.	.	120
Other Sales
TOTAL			.	35	26	.	.	.	16	43	.	.	120
<i>All India</i>													
London Auction
Calcutta/Cochin Auction	.	.	8	66	36	15	.	2	44	20	15	.	206
Direct to buyers in India and abroad	.	.	.	35	26	.	.	.	16	43	1	.	121

ANNEXURE LXIX—*contd.*
1951—*contd.*

1	2	3	4	5	6	7	8	9	10	11	12	13
Other Sales . . . . .		..	..	..	..	..	..	..	..	..	..	..
TOTAL		8	101	62	15	..	2	60	63	16	..	327
1952												
<i>North India</i>												
London Auction	1	..	..	..	..	..	..	..	..	..	..	..
Calcutta Auction		7	25	38	19	..	..	77	22	18	..	206
Direct to buyers in India and abroad . . . . .		..	..	..	..	..	..	..	*	4	..	4
Other Sales . . . . .		..	..	..	..	..	..	..	..	..	..	..
TOTAL		7	25	38	19	..	..	77	22	22	..	210
<i>South India</i>												
London Auction	1	..	..	..	..	..	..	..	..	..	..	..
Cochin Auction . . . . .		..	14	13	..	..	..	10	..	..	..	37
Direct to buyers in India and abroad . . . . .		..	1	3	..	..	..	..	59	..	..	63
Other Sales . . . . .		..	..	..	..	..	..	..	..	..	..	..
TOTAL . . . . .		..	15	16	..	..	..	10	59	..	..	100
<i>All India</i>												
London Auction	2	..	..	..	..	..	..	..	..	..	..	..
Calcutta/Cochin Auction		7	39	51	19	..	..	87	22	18	..	243
Direct to buyers in India and abroad . . . . .		..	1	3	..	..	..	*	59	4	..	67
Other Sales . . . . .		..	..	..	..	..	..	..	..	..	..	..
TOTAL		7	40	54	19	..	..	87	81	22	..	310

ANNEXURE LXIX—contd.

1953

1	2	3	4	5	6	7	8	9	10	11	12	13
<i>North India</i>												
Auction	1	..	..	..	..	..	..	..	..	..	..	..
Calcutta Auction	..	7	2	75	27	..	..	98	24	2	..	235
Direct to buyers in India and abroad	3	..	3
Other Sales
TOTAL	..	7	2	75	27	..	..	98	24	5	..	298
<i>South India</i>												
Auction	1	..	..	..	..	..	..	..	..	..	..	..
Cochin Auction	40	..	..	..	37	57	..	..	194
Direct to buyers in India and abroad	2	..	..	..	..	11	..	..	13
Other Sales
TOTAL	42	..	..	..	37	68	..	..	147
<i>All India</i>												
Auction	2	..	..	..	..	..	..	..	..	..	..	..
Calcutta/Cochin Auction	..	7	2	115	27	..	..	135	81	2	..	369
Direct to buyers in India and abroad	2	..	..	..	..	11	3	..	16
Other Sales
TOTAL	..	7	2	117	27	..	..	135	92	5	..	385

ANNEXURE—LXIX—*contd.*

1951

Rupce Indian Proprietary and Partnership concerns.

	1	2	3	4	5	6	7	8	9	10	11	12	13
<i>North India</i>		6											
London Auction
Calcutta Auction	.	3	.	324	384	66	5	60	536	183	84	2	1,647
Direct to buyers in India and abroad	.	5	.	3	1	4	..	4	1	6	*	*	24
Other Sales
TOTAL	.	8	.	327	385	70	5	64	537	189	84	2	1,671
<i>South India</i>		1											
London Auction
Cochin Auction	1	42	7	..	..	22	1	15	..	88
Direct to buyers in India and abroad	36	11	..	..	25	8	52	1	133
Other Sales	*	*	*	*	*	*	..	*
TOTAL	1	78	18	..	..	47	9	67	1	221
<i>All India</i>		7											
London Auction
Calcutta/Cochin Auction	.	3	.	325	426	73	5	60	558	184	99	2	1,735
Direct to buyers in India and abroad	.	5	.	3	37	15	..	4	26	14	52	1	157
Other Sales	*	*	*	*	*	*	..	*
TOTAL	.	8	.	328	463	88	5	64	584	198	151	3	1,892

ANNEXURE LXIX—contd
1952

1	2	3	4	5	6	7	8	9	10	11	12	13
<i>North India</i>	6											
London Auction		..	..	..	..	..	..	..	..	..	..	..
Calcutta Auction		3	242	395	104	..	137	414	156	60	2	1,513
Direct to buyers in India and abroad		7	1	1	3	..	1	3	7	1	*	24
Other Sales		..	..	..	..	..	..	..	..	..	..	..
TOTAL		10	243	396	107	..	138	417	163	61	2	1,537
<i>South India</i>	1											
London Auction		..	..	..	..	..	..	..	..	..	..	..
Cochin Auction		..	..	54	..	..	..	27	..	..	..	81
Direct to buyers in India and abroad		..	..	..	11	..	..	11	15	32	..	69
Other Sales		..	..	*	*	*	..	*	..	*	..	*
TOTAL		..	..	54	11	..	..	38	15	32	..	150
<i>All India</i>	7											
London Auction		..	..	..	..	..	..	..	..	..	..	..
Calcutta/Cochin Auction		3	242	449	104	..	137	441	156	60	2	1,593
Direct to buyers in India and abroad		7	1	1	14	..	1	14	22	33	*	94
Other Sales		..	..	*	*	..	..	*	..	*	..	*
TOTAL		10	243	450	118	..	138	455	178	93	2	1,687

ANNEXURE LXIX—*contd.*

1953

	1	2	3	4	5	6	7	8	9	10	11	12	13
<i>North India</i>		6											
London Auction
Calcutta Auction	.	.	8	223	214	81	.	162	596	176	122	1	1,583
Direct to buyers in India and abroad	.	.	1	1	*	1	.	*	1	5	*	*	9
Other Sales
TOTAL	.	.	9	224	214	82	.	162	597	181	122	1	1,592
<i>South India</i>		1											
London Auction
Cochin Auction	111	.	.	.	46	.	.	.	157
Direct to buyers in India and abroad	*	11	.	.	23	6	67	3	110
Other Sales	*	.	.	.	*	.	.	.	1
TOTAL	111	11	.	.	69	6	67	3	268
<i>All India</i>		7											
London Auction
Cochin/Calcutta Auction	.	.	.	223	325	81	.	162	642	176	122	1	1,740
Direct to buyers in India and abroad	.	.	.	1	*	12	.	*	24	11	68	3	120
Other Sales	*	.	.	.	*	.	.	.	1
TOTAL	.	.	.	224	325	93	.	162	666	187	190	4	1,860

ANNEXURE LXIX—*contd.*

1951

Rupee Non-Indian Proprietary and Partnership Concerns.

	1	2	3	4	5	6	7	8	9	10	11	12	13
<i>North India</i>													
London Auction	..	2	..	..	..	..	..	..	..	..	..	..	..
Calcutta Auction	..		1	96	118	..	..	45	107	48	..	..	415
Direct to buyers in India and abroad
Other Sales
TOTAL	..		1	96	118	..	..	45	107	48	..	..	415
<i>South India</i>													
London Auction	..	8	..	..	..	..	..	..	..	..	..	..	..
Cochin Auction	49	105	26	..	..	65	27	51	..	323
Direct to buyers in India and abroad	93	170	30	..	..	137	324	101	..	855
Other Sales	*	*	*	*	*	*
TOTAL	142	275	56	..	..	202	351	152	..	1,178
<i>All India</i>													
London Auction	..	10	..	..	..	..	..	..	..	..	..	..	..
Calcutta/Cochin Auction	..		1	145	223	26	..	45	172	75	51	..	738
Direct to buyers in India and abroad	93	170	30	..	..	137	324	101	..	855
Other Sales	*	*	*	*	*
TOTAL	..		1	238	393	56	..	45	309	399	152	..	1,593

ANNEXURE LXIX—contd.

1952

	1	2	3	4	5	6	7	8	9	10	11	12	13
<i>North India</i>
London Auction	.	2	..	..	..	..	..	..	..	..	..	..	..
Calcutta Auction	.	.	1	99	113	..	..	10	112	70	..	..	405
Direct to buyers in India and abroad
Other Sales
TOTAL	.	.	1	99	113	..	..	10	112	70	..	..	405
<i>South India</i>	.	8	..	..	..	..	..	..	..	..	..	..	..
London Auction
Cochin Auction	48	224	11	..	..	115	29	68	..	195
Direct to buyers in India and abroad	38	46	38	..	..	47	290	40	..	499
Other Sales	*	*	*	*	*	..	*
TOTAL	86	270	49	..	..	162	319	108	..	994
<i>All India</i>	.	10	..	..	..	..	..	..	..	..	..	..	..
London Auction
Calcutta/Cochin Auction	.	.	1	147	337	11	..	10	227	99	68	..	900
Direct to buyers in India and abroad	38	46	38	..	..	47	290	40	..	499
Other Sales	*	*	*	*	*	..	*
TOTAL	.	.	1	185	383	49	..	10	274	389	108	..	1,399

ANNEXURE LXIX—*contd.*
1953

I	2	3	4	5	6	7	8	9	10	11	12	13
<i>North India</i>												
London Auction	2	..	10	12	..	..	..	6	..	..	..	20
Calcutta Auction		..	77	58	..	..	62	50	78	25	..	350
Direct to buyers in India and abroad		..	..	..	..	..	..	..	..	..	..	..
Other Sales		..	..	..	..	..	..	..	..	..	..	..
TOTAL		..	87	70	..	..	62	56	78	25	..	378
<i>South India</i>												
London Auction	8	..	..	..	..	..	..	..	..	..	..	..
Cochin Auction		..	56	380	27	..	..	200	133	79	13	888
Direct to buyers in India and abroad		..	53	154	32	..	..	114	606	83	..	1,042
Other Sales		..	*	*	..	..	..	*	..	4	..	4
TOTAL		..	109	534	59	..	..	314	739	166	13	1,934
<i>All India</i>												
London Auction	10	..	10	12	..	..	..	6	..	..	..	28
Calcutta/Cochin Auction		..	133	438	27	..	62	250	211	104	13	1,238
Direct to buyers in India and abroad		..	53	154	32	..	..	114	606	83	..	1,042
Other sales		..	*	*	..	..	..	*	..	4	..	4
TOTAL		..	196	604	59	..	62	370	817	191	13	2,312

Note:— * means Negligible.
SOURCE : Returns received from the States.

ANNEXURE LXIX—concl'd.

All India

(In million lbs.)

Type of Ownership/ Management	Number of Estates	1951				1952				1953						
		London Auction	Calcutta Auction/ Cochin Auction	Direct to buyers in India and abroad	Other Sales	Total	London Auction	Calcutta Auction/ Cochin Auction	Direct to buyers in India and abroad	Other Sales	Total	London Auction	Calcutta Auction/ Cochin Auction	Direct to buyers in India and abroad	Other Sales	Total
<i>Sterling companies (Controlled by Managing Agents/Secretaries, etc.)</i>																
<i>Non-Indian Managing Agents Control :</i>																
Non-Indian	49	8.01	21.36	0.43	0.06	29.86	7.62	20.89	0.21	0.03	28.75	7.59	20.17	0.09	0.01	27.86
Partly Indian and Partly Non-Indian	108	20.16	29.00	8.90	0.28	58.34	17.81	31.88	6.33	0.06	56.08	18.81	30.91	8.10	0.05	57.87
Indian	4	..	0.18	..	..	0.18	..	0.15	..	..	0.15	..	0.20	..	..	0.20
<i>Indian Managing Agents Control :</i>																
Indian	35	0.12	8.59	3.53	0.03	12.27	1.29	6.74	3.37	0.01	11.41	1.50	7.50	3.47	0.01	12.48
Partly Indian and Partly Non-Indian	18	0.42	6.42	0.17	0.02	7.03	0.17	7.18	0.10	0.02	7.47	0.25	7.05	0.06	0.01	7.37
<i>Outside Managing Agents Control :</i>																
Public Ltd. Indian	47	..	22.22	2.65	0.01	24.88	..	17.86	2.73	0.01	20.60	..	21.44	2.53	0.02	23.99
Private Ltd. Indian	7	..	1.37	0.14	..	1.51	..	1.17	0.09	..	1.26	..	1.53	0.05	..	1.58
Private Ltd. Non-Indian	1	..	0.14	..	..	0.14	..	0.14	..	..	0.14	..	0.12	..	..	0.12
<i>Proprietary and Partnership Concerns :</i>																
Indian	28	0.17	5.71	1.81	0.01	7.70	0.09	5.01	1.97	0.01	7.08	0.33	5.80	1.78	0.02	7.93
Non-Indian	10	..	0.74	0.85	*	1.59	..	0.90	0.60	*	1.50	0.03	1.24	1.04	*	2.31
TOTAL	673	168.75	193.40	67.13	1.76	431.04	159.08	200.76	57.10	0.76	417.70	169.23	193.58	56.11	0.48	419.40

NOTE—*means Negligible.
SOURCE : Returns received from estates.

ANNEXURE LXX

Statement showing brokerage and other charges made by the tea brokers at the important tea auction centres

Centre	Brokerage from		Other Charges	Remarks
	Sellers	Buyers		
Colombo	1%	..	*85 Cents per lot.	*Includes 40 cents for use of the auction room.
London	1%	†1½%	9d. per 6 chests for printing, 4d. per 6 chests for lot, 2½d. per sample.	†If not bought through a broker.
Chittagong	1%	1%	8 as. per package	For printing, lotting and sampling, etc.
Calcutta	1%	1-4-0 per 100 lbs.	0-7-0 per package (since 1952).	Ditto.
Cochin	1%	..	‡Rs. 2 per lot.	‡For printing and sampling expenses; Re. 1 each per lot from sellers and buyers.

SOURCE : Replies from C.T.T.A., Calcutta.

ANNEXURE LXXI

*Total quantity of tea handled by tea brokers at Calcutta auction during the years
1952-1953, 1953-1954, and 1954-1955*

(In thousand lbs.)

Name of the brokers	Quantity handled		
	1952-53	1953-54	1954-55
I. Non Indian Brokers :			
A.	106,234	97,877	92,276
B.	56,010	51,810	50,982
C.	41,813	41,895	43,927
D.	43,402	44,674	47,349
TOTAL OF I	247,459	236,256	234,534
II. Indian Brokers :			
E.	4,457	6,773	4,926
F.	2,092	2,425	3,637
TOTAL OF II	6,549	9,198	8,563
GRAND TOTAL (I + II)	254,008	245,454	243,097
Percentage of I to Grand Total	97.42	96.25	96.48

*Total quantity of tea handled by the brokers at Cochin auction during the years
1952-1953, 1953-1954, and 1954-1955.*

(In thousand lbs.)

Name of the brokers	Quantity handled		
	1952-53	1953-54	1954-55
Non-Indian Brokers :			
P.	18,660	24,513	21,450
Q.	6,883	9,298	11,044
TOTAL	25,543	33,811	32,494

SOURCE : Returns from Brokers.

ANNEXURE LXXII

Table showing paid-up capital, reserves and profits of five Non-Indian tea broking companies
(Figures in Columns 2 to 9 in thousand rupees)

Year	Paid-up Capital		Reserves		Gross Profit			Net Profit (After deduct- ing expenses for manage- ment and pro- vision for Taxation)	Percentage of Net Profit on Paid-up Capital	Percentage of Net Profit on Paid-up Cap- ital and reserves			
	Cash	Other than cash	Total	By Broker- age and Interest	Other Income	Total							
1	2	3	4	5	6	7	8	9	10	11			
1951	.	.	.	8,15	8,00	16,15	36,27	79,93	5,53	85,46	22,02	136.3	42.05
1952	.	.	.	8,15	8,00	16,15	38,50	72,14	3,60	75,74	18,62	115.3	34.10
1953	.	.	.	8,83	7,99	16,82	45,15	87,94	3,44	91,38	22,20	131.9	35.80

SOURCE : Replies to questionnaire.

ANNEXURE LXXIII

Statement showing particulars of loans advanced to producers of tea by five Non-Indian tea brokers.

(In thousand rupees)

Name of Broker	Amount granted as loans to Producers and Number of Producers taking loans						Amount realised by sale of teas auctioned		Average interest and commission	
	25 acres and below		Above 25 acres and below 100 acres		100 acres and above		Total	Amount realised by sale of teas auctioned	Interest	Commission
	No.	Amount	No.	Amount	No.	Amount				
1	2	3	4	5	6	7	8	9	10	11 12
1951-52										
A	32	99,13	32	99,13	All except Rs. 702 on Block a/c.	4½%-5% Nil.
B	32	23	48,67	26	48,99	All	4%-5% Nil.
C	4	26	21,72	27	21,76	All	5% Nil.
D	4	2,15	4	2,15	All	5% Nil.
P
TOTAL	.	..	4	36	85	1,71,67	89	1,72,03	All except Rs. 702 on Block a/c.	4%-5% Nil.
1952-53										
A	33	1,01,38	33	1,01,38	All except Rs. 924 on Block a/c.	5% Nil.

ANNEXURE LXXIII—concl'd.
1952-53—concl'd.

I	2	3	4	5	6	7	8	9	10	11	12
B	.	.	.	10	32	56,00	33	56,10	All	4% to 6%	Nil.
C	25	20,16	25	20,16	All	5%	Nil.
D	4	5,08	4	5,08	All	5%	Nil.
P
TOTAL											
	I	10	94	1,82,62	95	1,82,72*	All except Rs. 924 on Block a/c.	4% to 6%	Nil.
1953-54											
A	51	1,03,12	51	1,03,12	All except Rs. 820 on Block a/c.	5%	Nil.
B	.	.	.	6	24	70,94	26	71,00	All	4% to 6%	Nil.
C	.	.	.	30	31	41,69	32	41,99	All	5%	Nil.
D	10	16,04	10	16,04	All	5%	Nil.
P
TOTAL											
	3	36	116	2,31,79	119	2,32,15	All except Rs. 820 on Block a/c.	4 to 6%	Nil.

Source : Returns from Brokers.

ANNEXURE LXXIV

Average wholesale and retail prices of loose tea and package tea per lb. in Calcutta

(Prices are exclusive of sales tax)

Month	1953						1954					
	Wholesale			Retail			Wholesale			Retail		
	Loose	Packet	Rs. as. ps.	Loose	Packet	Rs. as. ps.	Loose	Packet	Rs. as. ps.	Loose	Packet	Rs. as. ps.
January	.	.	1 13 9	.	.	1 15 8	2 2 3	2 2 3	2 6 9	2 2 7	2 11 4	2 6 3
February	.	.	1 14 5	.	.	2 0 6	2 3 1	2 6 11	2 4 6	2 4 6	2 11 4	2 6 1
March	.	.	2 0 0	.	.	2 1 6	2 3 2	2 7 2	2 5 5	2 5 5	2 14 7	2 8 0
April	.	.	2 0 0	.	.	2 3 8	2 3 8	2 7 4	2 6 5	2 6 5	2 14 7	2 9 0
May	.	.	2 0 6	.	.	2 2 3	2 3 10	2 9 7	2 7 10	2 7 10	2 14 7	2 9 11
June	.	.	2 1 3	.	.	2 4 4	2 4 4	2 9 9	2 9 0	2 9 0	2 14 7	2 9 11
July	.	.	2 1 6	.	.	2 5 0	2 5 0	2 9 9	2 9 11	2 9 11	2 14 7	2 10 11
August	.	.	2 1 6	.	.	2 5 0	2 5 0	2 10 11	2 12 2	2 12 2	3 0 2	2 13 7
September	.	.	2 1 11	.	.	2 5 0	2 6 3	2 11 1	2 13 5	2 13 5	3 3 2	2 15 6
October	.	.	2 2 1	.	.	2 5 2	2 6 3	2 11 1	2 11 2	2 11 2	3 3 2	2 14 9
November	.	.	2 2 1	.	.	2 5 2	2 7 3	2 11 3	2 9 2	2 9 2	3 6 1	2 12 6
December	.	.	2 2 7	.	.	2 5 3	2 7 3	2 12 0	2 10 6	2 10 6	3 6 1	2 13 6

Source : Tea Board.

ANNEXURE LXXV

Quantities of tea sold in package and loose form by five blending and packing firms

Year*	Quantity sold Loose in lbs.	Quantity sold in packages in lbs.
1	2	3
1951	1,329,427	92,719,237
1952	1,588,565	93,382,829
1953	1,811,098	96,258,955
1954	2,446,397	93,523,322

NOTE—*In respect of one company, the figures relate to the financial year ending June of the succeeding year.

SOURCE : Returns furnished by the five companies.

ANNEXURE LXXVI

Table showing production of tea in packaged and loose form and availability for internal consumption

(Figures in Cols. 2 to 4 in Million lbs.)

	1953-54	1954-55	Difference	Percentage of increase or decrease
I	2	3	4	5
1. Loose Tea Produced	502.3	549.5	47.2	9.396
2. Loose Tea exported	452.0	442.0	-10.0	-2.210
3. Loose Tea available for internal consumption	50.3	107.5	57.2	113.720
4. Packaged Tea Produced	125.5	112.1	-13.4	-10.680
5. Packaged Tea exported	15.0	14.0	-1.0	-6.670
6. Packaged Tea available for internal consumption.	110.5	98.1	-12.4	-11.220

SOURCE : Statistic and Intelligence Branch, Central Excise.

ANNEXURE LXXVII

Table showing quantities of tea packaged and cleared by Central Excise

Size of Package	No. of packages		Percentage in-crease or decrease		Quantity of tea		Percentage in-crease or decrease
	1953-54	1954-55	(2)	(3)	1953-54	1954-55	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
1. Up to 2 oz.	801,293	41,101	-7.1	49,848	38,151	-23.4	
2. More than 2 oz. and up to 4 oz.	25,207	23,836	-5.4	5,597	5,134	-8.2	
3. More than 4 oz. and up to 8 oz.	4,088	4,429	8.3	1,818	2,114	16.2	
4. More than 8 oz. and up to 1 lb.	31,401	35,112	11.8	31,330	31,156	-0.5	
5. More than 1 lb. and up to 5 lbs.	2,018	2,586	28.1	2,537	3,055	20.4	
6. More than 5 lbs. but not exceeding 60 lbs.	897	727	-18.2	30,537	25,423	-16.7	
Total.	864,909	810,881	-6.2	121,667	105,033	-13.6	

COVERAGE : 1953-54, 15th April 1953 to March 1954.
1954-55, 1st April 1954 to March 1955.

SOURCE : Ministry of Finance, Central Board of Revenue.

ANNEXURE LXXVIII

Number of valid licenses of different categories at the close of the year 1954 and the total quantity of packaged tea manufactured by different categories of packers.

Category of packer	Number of licenses valid at the close of 1954	Quantity of packaged tea manufactured in 1954 (in thousand lbs.)
Class I	50	107,506
Class II	29	1,172
Class III	222	569
TOTAL .	301	109,247

NOTES :—

Class I. Those who manufacture more than 50,000 lbs. of packaged tea.

Class II. Those who manufacture more than 10,000 lbs. but not more than 50,000 lbs.

Class III. Those who manufacture not more than 10,000 lbs.

ANNEXURE LXXIX

Statement showing cost of blending, packing and selling packed tea of 3 companies

COMPANY "A"

(Figures in columns 2, 3 and 4 give cost in annas per lb.)

Details of Heads	1952	1953	1954
1	2	3	4
<i>Cost of Tea purchased including Duty</i>	25.909	31.104	40.4 08
<i>Blending and Packing Cost :</i>			
Freight and cartage	0.117	0.136	0.168
Material consumed	2.281	2.183	2.184
Wages	0.648	0.643	0.687
Other Expenses	0.229	0.213	0.238
	3.275	3.175	3.277
<i>Selling and Distribution Expenses :</i>			
Salesman's remuneration	0.763	0.821	0.893
Travelling Expenses	0.383	0.382	0.395
Wages	0.471	0.500	0.568
Duty	0.108	0.103	0.124
Advertising	0.111	0.135	0.148
Carriage	1.288	1.291	1.322
Other Expenses	0.512	0.551	0.610
Less Sundry Receipts	(—)0.104	(—)0.102	(—)0.092
	3.532	3.681	3.968
<i>General Overhead and Administration Expenses :</i>			
Salaries	0.550	0.543	0.649
Canteen	0.080	0.076	0.076
Trade Expenses	0.095	0.097	0.087
Insurance	0.100	0.102	0.144
Rent	0.072	0.066	0.074
Other Expenses	0.312	0.284	0.292
Depreciation	0.069	0.068	0.074
Less Sundry Income	(—)0.190	(—)0.155	(—)0.093
	1.088	1.081	1.303
Total of cost of blending, packing, selling and distributing and general overheads . . .	7.895	7.937	8.548
TOTAL COST OF TEA PER LB.	33.804	39.041	48.956

ANNEXURE LXXIX—*contd.*

COMPANY "B"

1	2	3	4
<i>Cost of Tea Purchased including Duty</i> . . .	26.981	25.404	34.923
<i>Blending and Packing Cost:</i>			
Freight	0.079	0.106	0.132
Packing Materials	3.197	2.804	2.995
Wages Direct	0.359	0.371	0.448
Overheads	1.054	1.063	1.385
	4.689	4.344	4.960
<i>Selling and Distribution Expenses:</i>			
Salaries, Wages and Commission	1.939	2.013	2.195
Expenses	0.638	0.693	0.759
Duty	0.103	0.099	0.116
Advertising and Gift Scheme	0.750	0.561	0.543
Carriage	2.097	2.048	2.078
Other Expenses	0.918	0.897	1.023
Less Sundry Receipts	(—)0.525	(—)0.537	(—)0.595
	5.920	5.774	6.119
<i>General Overhead and Administration Expenses:</i>			
Salaries and Wages	0.419	0.451	0.479
General Expense	0.258	0.292	0.267
Insurance	0.030	0.023	0.017
Rent and Taxes	0.026	0.025	0.026
Other Expenses	0.163	0.163	0.185
Depreciation as per I. T. Rates	0.142	0.168	0.197
Less Depreciation as per books of the Company	(—)0.216	(—)0.242	(—)0.347
	0.822	0.880	0.824
Total cost of blending, packing, selling and distributing expenses and general overhead and administration expenses.	11.431	10.998	11.903
TOTAL COST OF TEA PER LB. . .	38.412	36.402	46.826

ANNEXURE LXXIX—*contd.*

COMPANY "C"

1	2	3	4
<i>Cost of Tea Purchased including Duty . . .</i>	31.368	26.494	30.327
<i>Blending and Packing Cost :</i>			
Freight, Materials and Expenses . . .	1.503	1.688	1.622
Overhead Expenses	0.326	0.363	0.353
	1.829	2.051	1.975
<i>Selling and Distribution Expenses :</i>			
Salaries, Wages and Commission . . .	1.044	1.060	1.148
Duty and Shipping Charges . . .	0.131	0.116	0.288
Advertisement	0.252	0.357	0.397
Carriage	0.288	0.301	0.272
	1.715	1.834	2.105
<i>General Overhead and Administration Expenses :</i>			
Salaries and Wages	0.331	0.441	0.440
General Expenses	0.067	0.085	0.116
Insurance	0.016	0.013	0.027
Rent and Taxes	0.051	0.052	0.048
Other Expenses	0.130	0.276	0.201
	0.595	0.867	0.832
Depreciation	0.032	0.038	0.081
	0.627	0.905	0.913
Total cost of blending, packing, selling and distributing and general overheads .	4.171	4.790	4.993
TOTAL COST OF TEA PER LB. . . .	35.539	31.284	35.320

SOURCE : Cost Accounts Branch, Ministry of Finance, Government of India, New Delhi.

ANNEXURE LXXX

Statement on enquiries into tea adulteration and sales of tea unfit for human consumption for the period January to December, 1954

Months	Number of samples taken	Quantity involved (in lbs.)	Number of samples analysed	Number of samples declared Adulterated	Number of cases filed	Convictions Fine (in rupees)	
						Maximum	Minimum
January	44	19,518	44	19	15	100	30
February	71	23,673	26	16	13	200	15
March	26	82,433	76	40	11	100	4
April	66	148,167	64	22	7	100	100
May	57	55,857	17	4	24	100	25
June	96	34,485½	86	60	25	400	50
July	114	124,299½	19	13	15	200	20
August	91	90,785½	70	17	25	30	15
September	102	67,623	60	18	23	60	20
October	50	17,045½	34	15	9	125	35
November	111	96,143½	61	30	27	115	15
December	129	88,952	82	35	30	200	10
TOTAL	957	848,982½	639	289	224	..	..

SOURCE: Tea Board.

ANNEXURE LXXXI

Statement showing total imports of tea in the principal non-producing consuming countries and the proportion of imports from India during the period 1947 to 1954.

(In million lbs.)

Name of importing Country	1947 1948 1949 1950 1951 1952 1953 1954																
	Total Imports from India of tea imported	Total Imports from India of tea imported	Total Imports from India of tea imported	Total Imports from India of tea imported	Total Imports from India of tea imported	Total Imports from India of tea imported	Total Imports from India of tea imported	Total Imports from India of tea imported	Total Imports from India of tea imported	Total Imports from India of tea imported	Total Imports from India of tea imported	Total Imports from India of tea imported	Total Imports from India of tea imported	Total Imports from India of tea imported	Total Imports from India of tea imported	Total Imports from India of tea imported	Total Imports from India of tea imported
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	17
United Kingdom	389.20	264.10 (67.84)	414.69	272.02 (65.60)	474.07	318.52 (67.18)	368.57	239.11 (64.87)	464.11	276.07 (59.48)	496.90	304.38 (61.25)	492.78	315.33 (63.99)	542.40	321.70 (59.3)	
Irish Republic	25.61	22.94 (89.60)	25.80	24.76 (95.97)	18.61	14.63 (78.61)	24.10	21.57 (89.90)	36.87	32.82 (89.01)	17.24	14.01 (81.26)	16.42	15.54 (94.64)	25.81	23.32 (90.35)	
U. S. A.	67.68	38.45 (36.81)	91.58	28.10 (30.68)	94.96	33.23 (34.99)	114.58	40.49 (35.33)	86.81	32.13 (37.01)	93.44	35.02 (37.48)	108.11	39.04 (36.08)	114.70	39.91 (34.76)	
Canada.	16.37	21.41 (46.17)	35.59	13.81 (38.80)	42.62	18.41 (43.20)	54.42	27.54 (50.60)	42.02	20.69 (49.23)	45.51	20.77 (45.64)	45.46	21.18 (46.59)	44.42	19.83 (44.64)	
Egypt	27.70	1.74 (6.27)	29.77	1.42 (4.77)	35.81	4.16 (11.62)	35.21	6.48 (18.40)	35.35	4.04 (11.43)	35.78	4.25 (11.88)	44.44	17.88 (40.23)	35.93	7.39 (20.57)	
Australia	52.83	14.83 (28.07)	54.52	16.30 (29.90)	42.57	7.43 (17.38)	54.73	17.48 (31.94)	61.24	17.83 (29.11)	54.36	4.47 (8.22)	58.81	12.78 (21.73)	58.53	3.05 (5.21)	
Persia*	16.55	8.48 (51.23)	16.32	10.11 (61.95)	23.29	17.09 (73.38)	18.38	13.75 (74.80)	24.06	18.94 (79.72)	5.64	3.67 (65.07)	7.33	6.63 (90.45)	N.A.	N.A.	

* Figures relate to the Official year ending 20th or 21st March.
 Figures in brackets indicate the proportion of imports from India to the Total quantity of tea imported.
 Source : Bulletin of Statistics International Tea Committee, 1955.

ANNEXURE LXXXII

Statement showing quantity and value of tea exported from India to different countries in the years 1950-51 to 1954-55.

Name of country	Quantity in thousand lbs.						Value in rupees lakhs					
	1950-51	1951-52	1952-53	1953-54	1954-55		1950-51	1951-52	1952-53	1953-54	1954-55	
I	2	3	4	5	6		7	8	9	10	11	
United Kingdom	286,974	287,742	281,111	241,261	330,662		48,42	60,90	55,20	72,93	1,02,22	
Irish Republic	28,044	24,062	12,441	21,072	23,243		5,33	6,01	2,17	4,75	7,34	
U.S.S.R.	..	5,123	..	..	..		..	1,12	..	..	..
Germany Western	2,525	2,404	2,384	3,720	2,551		70	61	57	98	1,05	
Netherlands	3,900	5,871	7,638	5,650	3,669		84	1,22	1,24	1,32	1,38	
Turkey	3,940	3,675	5,321	5,202	2,084		95	96	1,12	1,38	84	
Aden	1,297	1,036	1,181	1,028	591		18	16	10	15	20	
Bahrain Islands	1,641	2,859	3,771	4,219	2,473		30	61	55	94	90	
Iraq	1,904	741	2,101	1,909	904		38	16	31	40	29	
Kuwait	5,011	8,102	9,038	3,569	2,493		98	1,79	1,44	73	97	
Iran	11,430	10,932	1,114	1,372	7,099		3,18	3,71	33	46	3,48	
Mascat and Oman	1,530	1,112	612	415	129		33	25	13	10	4	
Quarter and Trucial Oman	592	845	967	547	845		15	25	19	13	32	
Saudi Arabia	247	532	474	522	560		6	13	8	11	21	

ANNEXURE LXXXII—concl'd.

	1	2	3	4	5	6	7	8	9	10	11
Burma	867	1,048	614	693	633	17	26	13	18	26
Pakistan	14	266	439	22	146	3	7	11	1	5
Ceylon	221	324	109	..	..	5	8	3	..	..
Egypt	3,545	3,563	13,057	10,022	9,474	67	71	2,24	2,16	351
Tunis	724	1,136	1,379	662	320	13	26	22	13	9
Anglo Egyptian Sudan	2,389	2,743	7,560	6,164	4,836	28	38	77	1,00	1,29
Canada	20,979	19,134	22,594	20,195	20,280	4,29	4,31	4,25	4,73	7,39
U.S.A.	37,598	26,702	29,060	30,208	30,392	7,95	6,32	5,86	7,21	10,41
Argentina	81	1,797	13	..	..	2	36	0.4	..	..
Chile	2,507	4,283	3,550	1,506	1,201	34	73	55	25	52
Australia	16,941	6,448	12,630	3,471	7,932	3,21	1,33	1,96	78	2,76
New Zealand	2,254	1,301	1,384	1,685	1,336	52	31	27	39	51
Others	2,070	1,681	2,490	1,676	1,532	44	38	38	37	50
TOTAL	439,225	425,462	423,032	366,790	455,385	79,90	93,38	80,20.4	1,01,59	1,46,53
Green Tea	15	21	78	96	13	3	0.5	1.6	2	.4
GRAND TOTAL	439,240	425,483	423,110	366,886	455,398	79,93	93,38.5	80,22	1,01,61	1,46,53.4

SOURCE : Monthly accounts relating to Sea-Borne Trade of India.

ANNEXURE LXXXIII

Table showing consumption of tea in India and in other important producing countries

(Total consumption in million lbs. and per-capita in lbs.)

Period	India			Pakistan			Ceylon			Indonesia																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
	Total Con- sumption	<i>per-capita</i> Con- sumption	Total Con- sumption	<i>per-capita</i> Con- sumption	Total Con- sumption	<i>per-capita</i> Con- sumption	Total Con- sumption	<i>per-capita</i> Con- sumption	Total Con- sumption	<i>per-capita</i> Con- sumption	Total Con- sumption	<i>per-capita</i> Con- sumption																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																		
1950</

ANNEXURE LXXXIII—*concl'd.*

778

Period	United Kingdom		U.S.A.		Australia		Canada		Egypt		New Zealand	
	Total Con- sumption	<i>Per-capita</i> Con- sumption	Total Con- sumption	<i>Per-capita</i> Con- sumption	Total Con- sumption	<i>Per-capita</i> Con- sumption	Total Con- sumption	<i>Per-capita</i> Con- sumption	Total Con- sumption	<i>Per-capita</i> Con- sumption	Total Con- sumption	<i>Per-capita</i> Con- sumption
1950	358	7.08	114	0.75	60	7.32	55	4.01	35	1.71	12	6.32
1951	448	8.87	86	0.56	59	7.26	42	3.00	35	1.67	24	12.63
1952	473	9.33	93	0.59	53	6.16	45	3.12	36	1.68	10	5.00
1953	464	9.12	108	0.68	60	6.82	46	3.11	44	2.01	15	7.50
1954	504	9.94	114	0.70	60	6.80	44	3.0	36	1.60	15	7.50

NOTE : N. A. means not available.

SOURCE : Based on the statistics published by the International Tea Committee, (June 1955).

ANNEXURE LXXXIV

STATEMENT I

Statement showing gross profits and other income of tea companies

(In lakhs of rupees.)

Type of Ownership/Management	No. of companies	1939	1946	1950	1951	1952	1953	Average of 1950-53	1954
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<i>Sterling Companies Controlled by Managing Agents.</i>									
Secretaries, etc.	.	.	.	.	.	.	.	.	.
Rupree Companies:	95	3,47.0	7,34.0	10,63.0	5,66.6	1,22.4	14,13	7,91.0	14,24.0
(40)									
<i>Non-Indian Managing Agents Control:</i>									
Non-Indian	25	27.5	74.0	82.6	38.9	—34.8	1,13.5	50.0	1,21.8
(19)									
Partly Indian and partly Non-Indian	51	52.8	1,51.6	2,04.4	94.2	5.3	2,82.9	1,46.7	4,50.0
(34)									
<i>Indian Managing Agents Control:</i>									
Indian	19	11.4	45.4	57.2	14.2	—0.9	82.3	38.2	1,40.7
(12)									
Partly Indian and Partly Non-Indian	11	5.9	17.2	22.9	8.6	—11.9	35.2	13.7	57.4
(6)									
<i>Outside Managing Agents Control:</i>									
Public Ltd. Indian	43	30.1	93	1,31.7	33.5	—21.9	1,78.8	80.5 *	1,04.5
(12)									
Private Ltd. Indian	3	0.39	0.8	1.8	0.5	—0.1	3.1	1.3	N.A.
TOTAL	247	475.09	11,16.0	15,63.6	7,56.5	58.1	21,08.8	11,21.7	22,98.4
	(123)								

*NOTE.—In all Statements of Annexure LXXXIV Figures for 1954 cover 123 companies. For the other years they cover 247 companies.

Figures in brackets indicate the brake-up of 123 companies.

N. A. means Not available.

SOURCE : P. & L. a/c. and balance sheets of the companies.

ANNEXURE LXXXIV—contd.

STATEMENT 2

Statement showing the relation of the gross profit to gross sale proceeds of tea companies

Type of Ownership/Management	1	2	3	4
		Number of Companies	Percentage for 1953	Percentage for 1954
<i>Sterling Companies: (Controlled by Managing Agents/Secretaries, etc.)</i>				
<i>Rupree Companies:</i>				
<i>Non-Indian Managing Agents Control:</i>				
Non-Indian	.	25	33.97	46.62
Partly Indian and Partly Non-Indian	.	51	35.99	57.10
<i>Indian Managing Agents Control:</i>				
Indian	.	19	32.06	59.13
Partly Indian and Partly Non-Indian	.	11	28.90	51.07
<i>Outside Managing Agents Control:</i>				
Public Ltd. Indian	.	43	44.57	70.24
Private Ltd. Indian	.	3	35.90	..
TOTAL	.	247	31.01	50.23

ANNEXURE LXXXIV—contd.

STATEMENT 3

*Percentage of gross profit to total capital employed.**

Type of Ownership/Management	1939	1946	1953	1954
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)	11.1	18.7	22.4	29.0
<i>Rupree Companies:</i>				
<i>Non-Indian Managing Agents Control :</i>				
Non-Indian	11.5	21.8	24.7	31.8
Partly Indian and partly Non-Indian	12.4	23.0	27.9	42.0
<i>Indian Managing Agents Control :</i>				
Indian	9.9	22.1	25.8	38.3
Partly Indian and Partly Non-Indian	10.9	19.0	23.8	45.7
<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	13.5	25.0	28.4	37.3
Private Ltd. Indian	9.6	9.5	24.2	..
TOTAL	11.4	19.9	23.8	32.2

*Fixed and circulating capital.

ANNEXURE LXXXIV—contd.

STATEMENT 4

Statement showing managing agent's and director's remunerations

(In lakhs of rupees)

Type of Ownership/Management	1939	1946	1950	1951	1952	1953	Average of 1950-53	1954
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>	27.7	45.3	1,03.05	81.78	65.82	1,19.16	92.4	82.08
<i>Rupee Companies :</i>								
<i>Non-Indian Managing Agents Control :</i>								
Non-Indian	1.7	4.8	8.91	8.24	6.61	9.49	8.8	7.88
Partly Indian and Partly Non-Indian	5.4	13.64	22.39	18.29	15.65	23.77	20.0	34.97
<i>Indian Managing Agents Control :</i>								
Indian	0.89	1.82	5.54	2.19	1.11	7.86	4.18	12.8
Partly Indian and partly Non-Indian	0.64	1.64	3.05	1.90	2.15	3.78	2.72	4.64
<i>Outside Managing Agents Control :</i>								
Public Ltd. Indian	0.66	1.25	3.21	2.45	1.36	2.71	2.43	3.78
Private Ltd. Indian	..	0.01	0.04	..	..	0.07	0.03	N.A.
Total	36.99	68.46	1,46.19	1,14.85	92.7	1,66.86	1,30.1	1,46.15

ANNEXURE LXXXIV—contd.

STATEMENT 5

Statement showing percentage of commission paid to managing agents and directors as related to gross profits (including crop and other income)
(In percentage)

Type of Ownership/Management	No. of companies	1939	1946	1950	1951	1952	1953	1954
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<i>Sterling Companies</i> , (Controlled by Managing Agents/Secretaries, etc.)								
<i>Rupar Companies</i> :	95	7.99	6.17	9.70	14.40	53.80	8.40	5.80
<i>Non-Indian Managing Agents Control</i> :								
Non-Indian	25	6.29	6.49	10.80	21.20	..	8.40	6.50
Partly Indian and partly Non-Indian	51	10.26	9.00	10.90	19.40	296.70	8.40	7.80
<i>Indian Managing Agents Control</i> :								
Indian	19	7.81	4.01	9.70	15.40	..	9.60	9.10
Partly Indian and Partly Non-Indian	11	10.94	9.55	13.30	22.10	..	10.80	8.10
<i>Outside Managing Agents Control</i> :								
Public Ltd. Indian	43	2.21	1.35	2.40	7.30	..	1.50	3.60
Private Ltd. Indian	3	0.20	1.54	2.50	1.10	..	2.50	..
Total	247	7.80	6.13	9.40	15.20	160.00	7.90	6.40

ANNEXURE LXXXIV—contd.

STATEMENT 6

Statement showing commission paid to staff

(In lakhs of rupees)

Type of Ownership/Management	1939	1946	1950	1951	1952	1953	Average of 1950-53	1954
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>	11.76	24.93	30.05	18.75	7.14	46.76	25.67	84.69
<i>Rupee Companies :</i>								
<i>Non-Indian Managing Agents Control :</i>								
Non-Indian	1.66	3.45	4.18	2.70	0.14	5.72	3.18	6.42
Partly Indian and Partly Non-Indian	2.20	4.55	6.53	3.66	2.36	11.77	6.08	11.79
<i>Indian Managing Agents Control :</i>								
Indian	0.24	0.27	0.17	0.52	0.27	0.78	0.43	0.76
Partly Indian and Partly Non-Indian	0.49	1.18	1.25	0.70	0.19	2.22	1.09	3.67
<i>Outside Managing Agents Control :</i>								
Public Ltd. Indian	1.09	2.90	4.87	4.96	1.70	4.65	4.04	1.30
Private Ltd. Indian	0.01	0.04	0.10	0.02	0.01	0.07	0.03	N.A.
TOTAL	17.45	37.32	47.06	31.31	11.81	71.97	40.05	108.63

ANNEXURE LXXXIV—contd.

STATEMENT 7

Statement showing commission paid to staff expressed as percentage of gross profit

Type of Ownership/Management	1939	1946	1950	1951	1952	1953	1954
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<i>Sterling Companies (Controlled by Managing Agents/Secretaries etc.).</i>	.	3.39	3.39	2.83	3.31	5.84	3.31
<i>Rupree Companies :</i>							5.95
<i>Non-Indian Managing Agents Control :</i>							
Non-Indian	.	6.03	4.68	5.07	6.95	5.04	5.28
Partly Indian and Partly Non-Indian	.	4.17	3.00	3.19	3.89	4.16	2.62
<i>Indian Managing Agents Control :</i>							
Indian	.	2.15	0.61	0.31	3.66	0.93	0.55
Partly Indian and Partly Non-Indian	.	8.39	6.88	5.46	8.15	6.32	6.41
<i>Outside Managing Agents Control :</i>							
Public Ltd. Indian	.	3.64	3.12	3.70	14.81	2.59	1.24
Private Ltd. Indian	.	2.90	5.19	0.69	3.93	2.50	..
TOTAL		3.70	3.35	3.00	4.14	20.42	4.73

ANNEXURE LXXXIV—contd.

STATEMENT 8

Interest

		(In Lakhs of rupees.)							
Types of Ownership/Management		1939	1946	1950	1951	1952	1953	Average of 1950-53 1954	
(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sterling Companies (Controlled by Managing/Agents Secretaries etc.)		4.98	3.14	13.79	16.72	35.36	42.63	27.10	10.11
Rupee Companies :									
Non-Indian Managing Agents Control :									
Non-Indian	. . . . .	0.37	0.20	2.81	2.70	5.50	4.92	3.90	1.65
Partly Indian and Partly Non-Indian	. . . . .	1.57	0.79	3.36	2.61	5.97	5.34	4.30	1.64
Indian Managing Agents Control :									
Indian	. . . . .	1.09	0.44	1.51	1.79	2.89	2.37	2.14	1.55
Partly Indian and Partly Non-Indian	. . . . .	0.12	0.21	1.13	1.14	2.01	1.87	1.53	0.51
Outside Managing Agents Control									
Public Ltd. Indian	. . . . .	1.65	1.64	3.88	4.30	5.49	3.97	4.41	0.75
Private Ltd. Indian	. . . . .	0.02	0.09	0.02	0.10	0.11	0.07	0.07	N.A.
TOTAL		9.80	6.51	26.50	29.37	57.33	61.17	43.60	16.21

ANNEXURE LXXXIV—contd.

STATEMENT 9

Interest paid as percentage of gross profit

Type of Ownership/Management	1939	1946	1950	1951	1952	1953	1954*
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>	1.44	0.43	1.29	2.95	28.80	3.01	0.71
<i>Rupee Companies :</i>							
<i>Non-Indian Managing Agents Control :</i>							
Non-Indian	1.33	0.28	3.40	6.94	..	4.34	1.36
Partly Indian and Partly Non-Indian	2.97	0.53	1.65	2.77	113.10	1.89	0.36
<i>Indian Managing Agents Control :</i>							
Indian	9.54	0.97	2.65	12.61	..	2.88	1.10
Partly Indian and Partly Non-Indian	2.02	1.21	4.97	13.32	..	5.31	0.89
<i>Outside Managing Agents Control :</i>							
Public Ltd. Indian	5.51	1.77	2.95	12.86	..	2.22	0.72
Private Ltd. Indian	5.30	10.96	1.52	19.64	..	2.48	N.A.
TOTAL	2.06	0.59	1.69	3.88	98.90	2.90	0.71

ANNEXURE LXXXIV—contd.

STATEMENT 10

Profits before taxation

(In lakhs of rupees.)									
Type of Ownership/Management	1939	1946	1950	1951	1952	1953	Average for 1950-53	1954	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
<i>Sterling Companies (Controlled by Managing/Agents Secretaries etc.)</i>									
<i>Rupce Companies :</i>									
<i>Non-Indian Managing Agents Control :</i>									
Non-Indian	23.80	65.50	66.70	25.30	—47.00	93.30	34.50	1,05.80
Partly Indian and Partly Non-Indian	43.60	1,32.60	1,72.10	69.30	—19.00	2,42.00	1,16.00	4,01.50
<i>Indian Managing Agents Control :</i>									
Indian	9.10	42.90	49.90	9.60	—5.20	71.20	31.40	1,24.4
Partly Indian and Partly Non-Indian	4.70	14.20	17.50	4.90	—16.30	27.30	8.30	48.50
<i>Outside Managing Agents Control :</i>									
Public Ltd. Indian	26.60	86.90	1,19.30	21.10	—30.60	1,67.30	69.20	98.20
Private Ltd. Indian	0.35	0.68	1.68	0.38	—0.28	2.90	1.10	N.A.
TOTAL									
	4,10.05	10,02.28	13,40.48	5,76.98	—1,07.38	18,05.60	9,03.70	20,25.70	

ANNEXURE LXXXIV—contd.

STATEMENT II

Dividends

Type of Ownership/Management		1939	1946	1950	1951	1952	1953	Average 1950-53	1954
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
<i>Sterling Companies</i> (Controlld by Managing Agents/Secretaries etc.)									
<i>Rupee Companies :</i>									
<i>Non-Indian Managing Agents Control :</i>									
Non-Indian
Partly Indian and Partly Non-Indian
<i>Indian Managing Agents Control :</i>									
Indian
Partly Indian and Partly Non-Indian
<i>Outside Managing Agents Control :</i>									
Public Ltd. Indian
Private Ltd. Indian
TOTAL	

ANNEXURE LXXXIV—contd.

STATEMENT 12

Retained profits

		(In lakhs of rupees)						
Type of Ownership/Management		1939	1946	1950	1951	1952	1953	Average of 1950-53 1954
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>								
<i>Rupree Companies :</i>								
<i>Non-Indian Managing Agents Control :</i>								
Non-Indian	.	95.40	1,41.80	2,21.80	11.40	-2,05.00	4,60.70	1,22.00 3,84.40
Partly Indian and Partly Non-Indian	.	7.30	12.50	15.30	-2.90	-54.80	58.50	4.00 40.40
<i>Indian Managing Agents Control :</i>								
Indian	.	10.60	34.00	53.20	-2.90	-61.10	1,07.70	96.20 1,60.70
Partly Indian and Partly Non-Indian	.	8.40	28.90	24.10	-2.40	-11.50	52.70	15.70 97.90
	.	2.70	9.80	9.50	-2.90	-18.80	18.30	1.40 25.00
<i>Outside Managing Agents Control :</i>								
Public Ltd. Indian	.	15.60	42.90	54.60	-26.60	-44.50	1,01.60	21.30 66.50
Private Ltd. Indian	.	0.07	0.15	1.40	-0.14	-0.70	2.60	0.69 N.A.
TOTAL	.	1,40.07	2,70.05	3,79.90	-26.44	-3,96.40	8,02.10	1,88.50 7,74.90

ANNEXURE LXXXIV—contd.

STATEMENT 13

Net profit after taxation

(In lakhs of rupees)

Type of Ownership/Management	1939	1946	1950	1951	1952	1953	Average for 1950-53	1954*
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>								
	1,98.2	3,15.0	3,84.0	1,29.9	—1,36.7	6,36.0	2,53.3	5,94.3
<i>Rupar Companies :</i>								
<i>Non-Indian Managing Agents Control :</i>								
Non-Indian	20.8	45.8	46.6	12.7	—48.5	82.3	23.3	75.0
Partly Indian and Partly Non-Indian	38.8	95.9	1,29.2	47.9	—29.8	1,83.0	82.0	2,90.3
<i>Indian Managing Agents Control :</i>								
Indian	8.6	35.4	33.5	4.9	—9.1	57.1	21.6	1,07.7
Partly Indian and Partly Non-Indian	3.6	10.9	14.2	2.9	—16.1	21.5	5.6	34.6
<i>Outside Managing Agents Control :</i>								
Public Ltd. Indian	25	71.1	81.2	10.7	—34.9	1,24.9	45.5	77.3
Private Ltd. Indian	0.3	0.6	1.5	...	—0.6	2.7	0.9	N.A.
TOTAL	2,95.3	5,74.7	6,90.2	2,09.0	—2,75.7	11,07.5	4,32.8	11,79.2

ANNEXURE LXXXIV—*contd.*

STATEMENT 14

Dividend as percentage of profit after taxation

Type of Ownership/Management	1939	1946	1950	1951	1952	1953	1954
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>	51.9	54.99	42.2	91.0	..	27.5	35.3
<i>Rupee Companies:</i>							
<i>Non-Indian Managing Agents Control:</i>							
Non-Indian	64.8	72.8	67.1	122.3	..	20.0	46.1
Partly Indian and Partly Non-Indian	72.6	64.5	58.8	106.0	..	41.2	44.6
<i>Indian Managing Agents Control:</i>							
Indian	2.1	18.4	28.1	149.6	..	7.7	9.1
Partly Indian and Partly Non-Indian	24.9	10.9	33.2	198.3	..	15.2	27.6
<i>Outside Managing Agents Control:</i>							
Public Ltd. Indian	37.7	39.6	32.8	349.0	..	18.7	13.9
Private Ltd. Indian	79.7	74.2	8.7	..	..	3.3	...
TOTAL	52.5	53.0	34.9	112.7	..	27.6	34.3

ANNEXURE LXXXIV—contd.

STATEMENT 15

Retained profit as percentage of profit after taxation

Type of Ownership/Management	1939	1946	1950	1951	1952	1953	1954
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<i>Sterling Companies : (Controlled by Managing Agents/Secretaries, etc.)</i>	48.1	45.0	57.7	8.7	..	72.45	64.7
<i>Rubee Companies :</i>							
<i>Non-Indian Managing Agents Control :</i>							
Non-Indian	35.2	27.2	32.9	—23.0	..	71.0	53.9
Partly Indian and Partly Non-Indian	27.4	35.5	41.2	—6.0	..	58.8	55.3
<i>Indian Managing Agents Control :</i>							
Indian	97.8	81.6	71.9	—49.0	..	92.3	90.9
Partly Indian and Partly Non-Indian	75.1	89.1	66.8	—98.0	..	84.8	72.4
<i>Outside Managing Agents Control :</i>							
Public Ltd. Indian	62.3	60.4	67.2	—249.0	..	81.3	86.0
Private Ltd. Indian	20.3	25.8	91.3	..	..	96.7	..
TOTAL	47.4	46.9	55.0	—12.7	..	82.4	65.7

ANNEXURE LXXXIV—*contd.*

STATEMENT 16

Percentage of dividends to paid-up capital

Type of Ownership/Management	1939	1946	1953	1954
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.).	5.4	9.0	8.9	19.3
<i>Rupee Companies :</i>				
<i>Non-Indian Managing Agents Control:</i>				
Non-Indian	10.2	25.4	15.1	32.8
Partly Indian and Partly Non-Indian .	13.1	27.6	21.7	48.8
<i>Indian Managing Agents Control :</i>				
Indian	0.4	12.4	3.9	9.3
Partly Indian and Partly Non-Indian .	9.5	3.2	6.9	27.2
<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	10.3	28.6	10.3	15.4
Private Ltd. Indian	8.5	11.3	1.8	..
TOTAL .	6.4	12.4	10.7	24.2

STATEMENT 17

*Percentage of dividends to net worth.**

Type of Ownership/Management	1939	1946	1953	1954
<i>Sterling Companies</i> (Controlled by Managing Agents and Secretaries, etc.).	3.7	6.2	4.8	7.4
<i>Rupee Companies :</i>				
<i>Non-Indian Managing Agents Control:</i>				
Non-Indian	6.3	11.5	7.9	13.5
Partly Indian and Partly Non-Indian .	7.7	12.4	11.1	19.2
<i>Indian Managing Agents Control :</i>				
Indian	0.2	4.4	1.9	3.8
Partly Indian and Partly Non-Indian .	1.8	1.6	3.3	11.5
<i>Outside Managing Agents Control :</i>				
Public Ltd. Indian	5.6	10.2	5.2	4.9
Private Ltd. Indian	7.3	7.9	0.8	..
TOTAL .	4.3	7.4	5.6	9.4

*Paid-up capital plus Reserves (excluding taxation reserve).

ANNEXURE LXXXIV—*contd.*

STATEMENT 18

Percentage of profit after taxation to net worth

Type of Ownership/Management	1939	1946	1953	1954
<i>Sterling Companies: (Controlled by Managing Agents/Secretaries, etc.)</i>	7.1	11.2	17.3	21.0
<i>Rupee Companies :</i>				
<i>Non-Indian Managing Agents Control:</i>				
Non-Indian	9.7	15.9	27.3	29.4
Partly Indian and Partly Non-Indian .	10.6	19.3	26.9	43.1
<i>Indian Managing Agents Control :</i>				
Indian	9.4	23.8	25.4	41.8
Partly Indian and Partly Non-Indian .	7.3	15.0	21.7	41.6
<i>Outside Managing Agents Control:</i>				
Public Ltd. Indian	14.9	25.8	27.9	35.4
Private Ltd. Indian	9.2	10.7	25.6	..
TOTAL .	8.3	14.0	20.4	27.4

STATEMENT 19

Percentage of net profit before taxation to paid-up capital

Type of Ownership/Management	1939	1946	1953	1954
<i>Sterling Companies : (Controlled by Managing Agents/Secretaries etc.),</i>	15.9	34.4	61.0	114.5
<i>Rupee Companies:</i>				
<i>Non-Indian Managing Agents Control:</i>				
Non-Indian	18.1	49.8	59.1	100.6
Partly Indian and Partly Non-Indian .	20.3	59.1	69.6	151.2
<i>Indian Managing Agents Control:</i>				
Indian	17.6	81.0	63.6	117.8
Partly Indian and Partly Non-Indian .	12.5	38.0	57.9	138.3
<i>Outside Managing Agents Control:</i>				
Public Ltd. Indian	29.0	88.2	73.8	140.6
Private Ltd. Indian	10.9	17.0	56.2	..
TOTAL .	16.7	40.7	62.9	121.2

ANNEXURE LXXXIV—*contd.*

STATEMENT 20

Net profits (before tax) related to gross profits.

(In Percentage)

Type of Ownership/Management	1939	1946	1950	1951	1952	1953	1954
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)	87.07	89.80	85.90	78.80	9.24	85.00	87.60
<i>Rupee Companies:</i>							
<i>Non-Indian Managing Agents Control:</i>							
Non-Indian	86.35	88.47	80.70	64.90	†	82.20	86.90
Partly Indian and Partly Non-Indian.	82.60	87.47	84.20	73.60	†	85.50	89.20
<i>Indian Managing Agents Control:</i>							
Indian	80.50	94.39	87.30	67.90	†	86.60	88.40
Partly Indian and Partly Non-Indian.	78.65	82.36	76.30	56.40	†	77.60	84.60
<i>Outside Managing Agents Control:</i>							
Public Ltd. Indian .	88.08	93.42	90.60	63.20	†	93.60	94.00
Private Ltd. Indian .	91.60	82.31	95.30	75.30	†	92.50	..
TOTAL	86.34	89.76	85.70	76.30	†	85.60	88.10

NOTES.— *In all Statements of Annexure LXXXIV figures for 1954 cover 123 companies. For the other years they cover 247 companies. Figures in brackets indicate the break-up of 123 companies.

N. A. means not available.

† means loss.

SOURCE: P. & L. a/c. and balance sheets of the companies.

ANNEXURE LXXXV

Statement showing Profits and their allocation (According to type of companies).

1939

(Area in '000 acres, Production in '000 lbs., and figures in col. 5 to 18 in '000 Rupees)

Type of Ownership/Management	No. of Cos.	Area co- vered (Planted Acreage)	Production a/c.	Gross pro- fits (crop a/c.)	Other In- come	Total* 5 & 6	Commis- sion to M. A. & Directors	Commis- sion to staff	Interest	Others (donation etc.)
I	2	3	4	5	6	7	8	9	10	11
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)	95	2,64	154,794	3,28,35	18,42	3,46,77	27,70	11,76	4,98	39
<i>Rupree Companies :</i>										
<i>Non-Indian Managing Agents Control:</i>										
Non-Indian	25	21	16,431	26,50	1,05	27,55	1,74	1,66	36	..
Partly Indian and Partly Non-Indian	51	44	27,300	49,55	3,28	52,83	5,42	2,20	1,57	..
<i>Indian Managing Agents Control:</i>										
Indian	19	10	17,865	11,22	17	11,39	89	24	1,09	..
Partly Indian and Partly Non-Indian	11	7	4,999	5,90	3	5,93	65	50	12	..
<i>Outsid. Managing Agents Control:</i>										
Public Ltd. Indian	43	26	25,129	29,53	58	30,11	67	1,10	1,66	16
Private Ltd. Indian	3	1	393	39	..	39	..	1	2	..
GRAND TOTAL	247	3,73	246,911	4,51,44	23,53	4,74,97	37,07	17,47	9,80	55

NOTE.—*Relates also to the sum of columns 8, 9, 10, 11 & 12 in case of all the Statements of Annexure LXXXV.
SOURCE: Balance sheets and profit and loss a/c. of companies.

ANNEXURE LXXXV—contd.

1939—concl'd.

Type of Ownership/Management	12	13	14	15	16	17	18	19	20
	Net Profit before taxation	Provision for taxation	Net Profit after taxation	Dividends	Transferred to Reserve	Net increase in balance carried forward	Total retained profits 16 & 17	Net Profit (before taxation per acre)* (in Rupees)	Net Profit (before taxation per lb.) (in Rupees)
<i>Sterling Companies (Controlled by Managing Agents Secretaries, etc.)</i>									
	3,01,94	1,03,72	1,98,22	1,02,81	42,29	53,12	95,41	114.37	0.195
<i>Rupee Companies:</i>									
<i>Non-Indian Managing Agents Control:</i>									
Non-Indian	23,79	3,00	20,79	13,48	2,83	4,48	7,31	114.94	0.140
Partly Indian and Partly Non-Indian	43,64	4,84	38,80	28,19	6,03	4,58	10,61	99.40	0.159
<i>Indian Managing Agents Control:</i>									
Indian	9,17	54	8,63	19	29	8,15	8,44	91.21	0.051
Partly Indian and Partly Non-Indian	4,66	1,08	3,58	89	58	2,11	2,69	64.79	0.093
<i>Outside Managing Agents Control:</i>									
Public Ltd. Indian	26,52	1,43	25,09	9,45	4,33	11,31	15,64	100.29	0.110
Private Ltd. Indian	36	1	35	28	..	7	7	48.14	0.090
GRAND TOTAL	4,10,08	1,14,62	2,95,46	1,55,29	56,35	83,82	1,40,17	109.94	0.170

Note: *Figures in col. 19 of this and other statements of Annexure LXXXV worked out from full figures of acreage and not from figures reduced to '000.

ANNEXURE LXXXV—*contd.*

1946

1	2	3	4	5	6	7	8	9	10	11
<i>Sterling Companies (Controlled by Managing Agents Secretaries, etc.)</i>										
	95	2,63	174,360	7,14,33	20,05	7,34,38	45,28	24,93	3,14	1,55
<i>Rubee Companies:</i>										
<i>Non-Indian Managing Agents Control :</i>										
Non-Indian	25	21	17,521	72,88	1,12	74,00	4,80	3,46	21	6
Partly Indian and Partly Non-Indian	51	44	40,040	1,48,11	3,47	1,51,58	13,64	4,55	80	..
<i>Indian Managing Agents Control :</i>										
Indian	19	10	18,373	44,74	68	45,42	1,83	27	44	1
Partly Indian and Partly Non-Indian	11	7	5,448	17,08	17	17,25	1,65	1,19	21	..
<i>Outside Managing Agents Control :</i>										
Public Ltd. Indian	43	26	25,430	92,10	90	93,00	1,25	2,90	1,64	32
Private Ltd. Indian	3	1	393	84	..	84	1	5	9	..
GRAND TOTAL	247	3,72	281,565	10,90,08	26,39	11,16,47	68,46	37,35	6,53	1,94

ANNEXURE LXXXV—contd.

1946—concl'd.

	12	13	14	15	16	17	18	19	20
<i>Sterling Companies</i> (Controlled by Managing Agents/ Secretaries, etc.)	6,59,48	3,44,40	3,15,08	1,73,26	1,24,07	17,75	1,41,82	250.75	0.38
<i>Rupee Companies :</i>									
<i>Non-Indian Managing Agents Control :</i>									
Non-Indian	5,47	19,64	45,83	33,36	11,99	48	12,47	311.76	0.37
Partly Indian and Partly Non-Indian	1,32,59	36,72	95,87	61,84	29,73	4,30	34,03	299.68	0.33
<i>Indian Managing Agents Control:</i>									
Indian	42,87	7,42	35,45	6,54	15,63	13,28	28,91	424.38	0.23
Partly Indian and Partly Non-Indian	14,20	3,22	10,98	1,20	4,18	5,60	9,78	196.63	0.26
<i>Outside Managing Agents Control:</i>									
Public Ltd. Indian	80,89	15,78	71,11	28,18	7,36	35,57	42,93	328.84	0.34
Private Ltd. Indian	69	7	62	46	..	16	16	92.47	0.17
GRAND TOTAL	10,02,19	₹4,27,25	5,74,94	3,04,84	1,92,96	77,14	2,70,10	269.14	0.3

ANNEXURE LXXXV—contd.

1950

1	2	3	4	5	6	7	8	9	10	11
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>										
	95	2,62	208,685	10,40,60	22,43	10,63,03	1,03,05	30,06	13,79	2,87
<i>Rupee Companies:</i>										
<i>Non-Indian Managing Agents Control :</i>										
Non-Indian	25	22	19,170	73,93	8,64	82,57	8,91	4,19	2,81	..
Partly Indian and Partly Non-Indian	51	46	40,538	2,01,61	2,75	2,04,36	22,39	6,54	3,36	..
<i>Indian Managing Agents Control:</i>										
Indian	19	10	18,487	55,59	1,63	57,22	5,54	18	1,52	2
Partly Indian and Partly Non Indian	11	7	6,448	22,81	12	22,93	3,05	1,25	1,14	..
<i>Outside Managing Agents Control :</i>										
Public Ltd. Indian	43	27	25,974	1,30,67	1,08	1,31,75	3,21	4,88	3,89	43
Private Ltd. Indian	3	1	422	1,74	3	1,77	4	1	3	..
GRAND TOTAL	247	3,75	3,19,774	15,26,95	36,68	15,63,63	1,46,19	47,11	26,54	3,32

ANNEXURE LXXXV—*contd.*

1950—*concl'd.*

	12	13	14	15	16	17	18	19	20
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>	9,13,26	5,29,18	3,84,08	1,62,27	1,95,06	26,75	2,21,81	347.94	0.44
<i>Rupree Companies :</i>									
<i>Non-Indian Managing Agents Control:</i>									
Non-Indian	66,66	20,09	46,57	31,27	12,38	2,92	15,30	301.55	0.35
Partly Indian and Partly Non-Indian	1,72,07	42,86	1,29,21	75,99	47,50	5,72	53,22	377.81	0.42
<i>Indian Managing Agents Control:</i>									
Indian	49,96	16,12	33,54	9,44	7,37	16,74	24,11	487.60	0.27
Partly Indian and Partly Non Indian	17,49	3,28	14,21	4,72	1,51	7,98	9,49	239.53	0.27
<i>Outside Managing Agents Control:</i>									
Public Ltd. Indian	1,19,34	38,14	81,20	26,61	11,27	43,32	54,59	443.73	0.46
Private Ltd. Indian	1,69	16	1,53	14	..	1,39	1,39	207.93	0.36
GRAND TOTAL	13,40,47	6,50,13	6,90,34	3,10,44	2,75,09	1,04,82	3,79,91	357.10	0.42

ANNEXURE LXXXV—*contd.*

1951

	1	2	3	4	5	6	7	8	9	10	11
<i>Sterling Companies</i> (Controlled by Managing Agents/Secretaries, etc.)		95	2,64	224,015	544,11	22,46	5,66,57	81,78	18,75	16,73	2,91
<i>Rupree Companies:</i>											
<i>Non Indian Managing Agents Control :</i>											
Non-Indian		25	22	19,803	25,60	13,34	38,94	8,25	2,71	2,70	—
Partly Indian and Partly Non-Indian		51	46	41,496	90,08	4,10	94,18	18,30	3,66	2,61	26
<i>Indian Managing Agents Control :</i>											
Indian		19	10	11,000	11,84	2,37	14,21	2,19	52	1,79	6
Partly Indian and Partly Non-Indian		11	7	6,152	8,47	14	8,61	1,90	70	1,15	—
<i>Outside Managing Agents Control :</i>											
Public Ltd. Indian		43	27	55,636	32,22	1,25	33,47	2,45	4,96	4,30	61
Private Ltd. Indian		3	1	521	51	1	52	1	2	10	..
GRAND TOTAL		247	3,77	328,623	7,12,83	43,67	7,56,50	1,14,88	31,32	29,38	3,84

ANNEXURE LXXXV—contd.

1951—concl'd.

	12	13	14	15	16	17	18	19	20
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>	4,46,40	3,16,51	1,29,89	1,18,47	46,12	-34,70	11,42	169.40	0.19
<i>Rupree Companies:</i>									
<i>Non-Indian Managing Agents Control:</i>									
Non-Indian	25,28	12,58	12,70	15,65	5,59	-8,54	-2,95	114.31	0.13
Partly Indian and Partly Non-Indian .	69,35	21,48	47,87	50,75	4,97	-7,85	-2,88	150.44	0.17
<i>Indian Managing Agents Control:</i>									
Indian	9,65	4,77	4,88	7,30	9,68	-12,10	-2,42	93.00	0.09
Partly Indian and Partly Non-Indian .	4,86	1,92	2,94	5,83	4,19	-7,08	-2,89	66.21	0.08
<i>Outside Managing Agents Control :</i>									
Public Ltd. Indian Control.	21,15	10,45	10,70	37,35	17,47	-44,12	-26,65	79.40	0.08
Private Ltd. Indian Control	39	40	-1	14	34	-49	-15	41.94	0.08
GRAND TOTAL .	5,77,08	3,68,11	2,08,97	2,35,49	88,36	-1,14,88	-26,52	153.07	0.18

ANNEXURE L XXXV—contd.

1952

1	2	3	4	5	6	7	8	9	10	11
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>										
	95	2,63	219,051	96,85	25,58	1,22,43	65,82	7,15	35,37	2,79
<i>Rupree Companies:</i>										
<i>Non-Indian Managing Agents Control :</i>										
Non-Indian	25	22	19,405	-36,39	1,60	-34,79	6,62	15	5,50	1
Partly Indian and Partly Non-Indian	51	45	38,514	-46	5,74	5,28	15,66	2,36	5,97	28
<i>Indian Managing Agents Control :</i>										
Indian	19	11	10,709	-2,32	1,41	-91	1,12	27	2,90	4
Partly Indian and Partly Non-Indian	11	7	6,384	-12,82	91	-11,91	2,16	19	2,01	..
<i>Outside Managing Agents Control :</i>										
Public Ltd. Indian	43	26	20,057	-23,54	1,56	-21,98	1,36	1,70	5,49	5
Private Ltd. Indian	3	1	4,64	-17	2	-15	1	1	12	..
GRAND TOTAL	247	3,75	314,584	21,15	36,82	57,97	92,75	11,83	57,36	3,37

ANNEXURE LXXXV—contd.

1952—concl'd.

	12	13	14	15	16	17	18	19	20
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>	11,30	1,48,04	-1,36,74	68,37	-72,12	-1,32,99	-2,05,11	4.29	0.05
<i>Rupree Companies:</i>									
<i>Non-Indian Managing Agents Control:</i>									
Non-Indian	-47,07	1,47	-48,54	6,22	-13,27	-41,49	-54,76	-213.73	-0.24
Partly Indian and Partly Non-Indian	-18,99	10,84	-29,83	31,26	-32,67	-28,42	-61,09	-42.07	-0.05
<i>Indian Managing Agents Control:</i>									
Indian	-5,24	3,89	-9,13	2,35	-11	-11,37	-11,48	-48.30	-0.05
Partly Indian and Partly Non-Indian	-16,27	-13	-16,14	2,63	1,92	-20,69	-18,77	-220.81	-0.25
<i>Outside Managing Agents Control:</i>									
Public Ltd. Indian	-30,58	4,29	-34,87	9,59	6,87	-51,33	-44,46	-117.4	-0.15
Private Ltd. Indian	-29	30	-59	10	10	-79	-69	-38.13	-0.06
GRAND TOTAL	-1,07,14	1,68,70	-2,75,84	1,20,52	-1,09,28	-2,87,08	-3,96,36	-28.54	-0.03

ANNEXURE LXXXV—contd.

1953

1	2	3	4	5	6	7	8	9	10	11
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.),</i>	95	2,58	225,341	13,93,30	19,82	14,13,12	1,19,17	46,77	42,63	2,90
<i>Rupee Companies:</i>										
<i>Non-Indian Managing Agents Control :</i>										
Non-Indian	25	22	18,610	1,12,44	1,05	1,13,49	9,49	5,72	4,92	6
Partly Indian and Partly Non-Indian	51	46	38,778	2,79,52	3,34	2,82,86	23,77	11,77	5,34	..
<i>Indian Managing Agents Control:</i>										
Indian	19	11	11,068	81,22	1,07	82,29	7,89	77	2,37	..
Partly Indian and Partly Non-Indian	11	7	6,334	35,04	14	35,18	3,79	2,22	1,87	..
<i>Outside Managing Agents Control :</i>										
Public Ltd. Indian	43	27	24,418	1,76,53	2,28	1,78,81	2,72	4,65	3,97	11
Private Ltd. Indian	3	1	520	3,06	4	3,10	8	8	8	..
GRAND TOTAL	247	3,72	325,069	20,81,11	27,47	21,08,85	1,66,91	71,98	61,18	3,07

ANNEXURE LXXXV—contd.

1953—concl'd.

	12	13	14	15	16	17	18	19	20
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>	12,01,65	5,65,67	6,35,98	1,75,24	2,73,93	1,87,01	4,60,94	466.15	0.53
<i>Rupees Companies:</i>									
<i>Non-Indian Managing Agents Control :</i>									
Non-Indian	93,30	10,93	82,37	23,86	23,20	35,31	58,51	427.15	0.50
Partly Indian and Partly Non-Indian .	2,41,98	58,91	1,83,07	75,36	73,96	33,75	1,07,71	527.64	0.62
<i>Indian Managing Agents Control:</i>									
Indian	71,26	14,19	57,07	4,41	10,97	41,69	52,66	654.96	0.64
Partly Indian and Partly Non-Indian .	27,30	5,78	21,52	3,26	2,34	15,92	18,26	369.83	0.43
<i>Outside Managing Agents Control:</i>									
Public Ltd. Indian	1,67,36	42,40	1,24,96	23,36	10,46	91,14	1,01,60	621.85	0.69
Private Ltd. Indian	2,86	13	2,73	9	1,09	1,55	2,64	373.38	0.55
GRAND TOTAL	18,05,71	6,98,01	11,07,70	3,05,58	3,95,95	4,06,37	8,02,32	486.15	0.56

ANNEXURE LXXXV—contd.

1954

1	2	3	4	5	6	7	8	9	10	11
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>	40	1,28	85,462	14,07,26	16,90	14,24,16	82,09	84,70	10,11	..
<i>Rupes Companies:</i>										
<i>Non-Indian Managing Agents Control :</i>						•				
Non-Indian	19	12	9,339	1,19,87	1,94	1,21,81	7,88	6,43	1,65	..
Partly Indian and Partly Non-Indian	34	35	30,658	4,43,54	6,49	4,50,03	34,98	11,80	1,64	7
<i>Indian Managing Agents Control :</i>										
Indian	12	8	9,130	1,36,95	3,73	1,40,68	12,80	77	1,55	1,18
Partly Indian and Partly Non-Indian	6	5	3,686	54,85	2,53	57,38	4,65	3,67	51	..
<i>Outside Managing Agents Control :</i>										
Public Ltd. Indian	12	8	6,683	1,00,47	4,02	1,04,49	3,78	1,30	75	45
Private Ltd. Indian	..	..	..	..	..	..	..	..	..	..
GRAND TOTAL	123	1,96	144,958	22,62,94	35,61	22,98,55	1,46,18	1,08,67	16,21	1,70

NOTE:— *Relates also to the sum of columns 8, 9, 10, 11 & 12 in case of all the Statements of Annexure LXXXV.

SOURCE: Balance sheets and profit and loss a/c. of companies.

ANNEXURE LXXXV—concl'd.
1954—concl'd.

	12	13	14	15	16	17	18	19	20
<i>Sterling Companies (Controlled by Managing Agents/Secretaries, etc.)</i>	12,47,26	6,52,92	5,94,34	2,09,91	3,24,61	59,82	3,84,43	971.76	1.46
<i>Rupree Companies :</i>									
<i>Non-Indian Managing Agents Control:</i>									
Non-Indian	1,05,85	30,89	74,96	34,52	31,59	8,85	40,44	851.77	1.13
Partly Indian and Partly Non-Indian	4,01,54	1,11,24	2,90,30	1,29,61	1,41,05	19,64	1,60,69	1,148.83	1.31
<i>Indian-Managing Agents Control:</i>									
Indian	1,24,38	16,64	1,07,74	9,85	46,89	51,00	97,89	1,493.56	1.36
Partly Indian and Partly Non-Indian	48,55	13,92	34,63	9,56	17,00	8,07	25,07	1,059.79	1.32
<i>Outside Managing Agents Control:</i>									
Public Ltd. Indian	98,21	20,90	77,31	10,78	32,78	33,75	66,53	1,312.29	1.47
Private Ltd. Indian . . . . .	..	..	..	..	..	..	..	..	..
GRAND TOTAL	20,25,79	8,46,51	11,79,28	4,04,23	5,93,92	1,91,13	7,75,05	1,032.93	1.40

NOTE:— *Figures in col. 19 of this and other statements of Annexure LXXXV worked out from full figures of acreage and not from figures reduced to '000.

ANNEXURE LXXXVI

A. Statement showing net profit per acre (before providing for taxation)

(In rupees)

Region	No. of com- panies	1939	1946	1950	1951	1952	1953	1954
Assam .	85 (45)	128.75	297.77	400.60	155.38	53.94	479.61	1,154.28
Cachar .	32 (9)	68.04	143.73	184.32	111.15	-403.55	450.74	629.85
Dooars .	74 (39)	140.62	412.36	473.30	53.16	-137.36	733.93	1,306.43
Darjeeling	20 (16)	40.58	76.21	98.99	-0.027	-98.94	103.80	598.08
Terai .	6	77.90	305.17	394.88	77.48	-165.82	627.68	..
Tripura	4	9.17	123.17	155.00	40.58	-106.39	288.23	..
U. P. .	1 (1)	68.55	262.05	208.22	306.41	-100.81	146.86	548.42
Bihar .	3 (1)	71.79	436.22	494.24	131.89	3.06	658.52	1,402.77
S. India*	14 (9)	98.79	185.38	334.07	436.98	143.98	350.19	691.59
S. India†	8 (3)	95.71	228.44	334.76	435.37	226.50	453.00	1,000.45
Total	247 (123)	109.81	268.90	357.10	153.07	-28.54	486.15	1,032.93

NOTE.—* Denotes companies having tea interest only.

† Denotes companies having other interests besides tea.

Figures in brackets denote the number of companies in the year 1954.

SOURCE: Profit and loss accounts of companies.

ANNEXURE LXXXVI—concl'd.

B. Statement showing net profit per acre (after providing for taxation).

(In rupees)

Region	No. of Compa- nies	1939	1946	1950	1951	1952	1953	1954
Assam .	85 (45)	73·59	137·39	183·08	57·32	-10·41	248·60	572·31
Cachar .	32 (9)	56·08	103·34	121·31	-116·46	-407·08	422·86	413·99
Darjeeling	20 (16)	34·71	50·77	52·59	-10·52	-104·14	89·56	474·82
Dooars .	74 (39)	115·60	262·65	269·69	13·74	-154·05	500·54	896·86
Terai .	6	70·70	230·63	274·89	60·99	-165·84	459·29	..
Tripura	4	48·52	95·49	109·22	-45·66	-108·57	254·76	..
U. P. .	1 (1)	61·32	262·05	181·03	281·62	-145·01	145·48	548·42
Bihar .	3 (1)	66·76	427·99	422·91	56·01	3·06	389·31	879·95
S. India*	14 (9)	61·33	111·84	163·92	183·94	69·69	170·99	336·61
S. India†	8 (3)	65·00	133·37	166·75	221·29	131·88	183·51	641·12
GRAND TOTAL	247 (123)	79·12	154·26	183·90	55·43	-73·50	298·23	601·30

NOTE.—*Companies having tea interest only.

†Companies having other interests besides tea.

Figures in brackets denote the number of companies in the year 1954.

SOURCE: Profit and loss accounts of companies.

ANNEXURE LXXXVII

Statement showing selling price and cost of production of tea in South India.

(In rupees.)

Year	Selling Price		Cost of production		Difference	
	S. Av.	W. Av.	S. Av.	W. Av.	S. Av.	W. Av.
1946 . . .	1·08	0·99	0·67	0·49	0·41	0·50
1947 . . .	1·27	1·18	0·73	0·71	0·54	0·47
1948 . . .	1·51	1·41	0·96	0·87	0·55	0·54
1949 . . .	1·57	1·49	1·07	1·06	0·50	0·43
1950 . . .	1·73	1·64	1·13	1·07	0·60	0·57
1951 . . .	1·92	1·88	1·14	1·13	0·78	0·75
1952 . . .	1·78	1·75	1·19	1·12	0·59	0·63
1953 . . .	1·69	1·64	1·19	1·19	0·50	0·45

NOTE.— S. Av. means Simple Average.

W. Av. means Weighted Average.

SOURCE:—United Planters' Association of Southern India.

ANNEXURE LXXXVII—concl'd.
Statement showing profit per lb.

(In Annas)

Region	1933			1938			1943			1948			1953							
	No. of Cos.	Price per lb.	Cost per lb.	Profit per lb.	No. of Cos.	Price per lb.	Cost per lb.	Profit per lb.	No. of Cos.	Price per lb.	Cost per lb.	Profit per lb.	No. of Cos.	Price per lb.	Cost per lb.					
Darjeeling	22	12'29	9'62	2'67	22	11'99	10'23	1'76	20	16'07	13'57	2'50	21	27'04	24'68	2'36	21	35'76	20'86	5'90
Dooars and Terai	33	15'18	12'32	2'86	33	8'67	6'64	2'03	33	12'33	9'13	3'20	33	22'83	20'07	2'76	33	29'79	21'34	8'35
Cachar	11	8'48	6'32	2'16	12	7'77	6'28	1'49	11	13'37	11'50	1'87	11	21'58	21'69	—0'11	11	30'93	22'75	8'18
Assam	51	9'87	7'11	2'76	52	9'35	7'55	1'80	49	13'04	10'51	2'53	49	22'04	19'32	2'72	48	32'46	26'14	6'32

SOURCE: Investors' Year Book (Place, Siddons & Gough.)

ANNEXURE LXXXVIII

Statement showing net profit per lb. (after taxation).

		(In rupees.)						
Type of Ownership/Management	Number of companies	1939	1946	1950	1951	1952	1953	1954
<i>Sterling companies. (Controlled by Managing Agents/Secretaries, etc.)</i>	95(40)	0.13	0.18	0.18	0.58	-0.06	0.28	0.695
<i>Rupee Companies:</i>								
<i>Non-Indian Managing Agents Control:</i>								
Non-Indian	25 (19)	0.13	0.26	0.24	0.06	-0.25	0.44	0.80
Partly Indian and Partly Non-Indian	51 (34)	0.14	0.24	0.32	0.12	-0.08	0.47	0.95
<i>Indian Managing Agents Control:</i>								
Indian	19 (12)	0.05	0.19	0.18	0.04	-0.09	0.52	1.18
Partly Indian and Partly Non-Indian	11 (6)	0.07	0.20	0.22	0.05	-0.25	0.34	0.94
<i>Outside Managing Agents Control:</i>								
Public Ltd. Indian	43 (12)	0.09	0.27	0.31	0.04	-0.17	0.51	1.16
Private Ltd. Indian	3	0.09	0.15	0.32	-0.16	-0.13	0.53	-
Total	247 (123)	0.12	0.20	0.22	0.06	-0.09	0.34	0.81

NOTE.—Figures for 1954 cover 123 companies. For the other years they cover 247 companies. Figures in brackets indicate break-up of 123 companies.
Source:—Profit and loss account and balance sheets of the companies.

ANNEXURE LXXXIX

Statement showing State and Local levies in various States and their incidence on 100 lbs. of Tea

(In Rupees per acre)

Type of Levies	Assam	West Bengal	Bihar	U. P.	Punjab	Madras	Mysore	T. C. State	Coorg	Remarks
1	2	3	4	5	6	7	8	9	10	11
Land Revenue	N.A.	Rs. 2 (-1/4/-)	N.A.	Rs. 5 (Rs. 2)	Rs. 1 (-1/8/-)	Rs. 3 (-1/7/-)	Rs. 1/8/- (-1/4/10)	Rs. 2 (-1/5/-)	Rs. 2 (-1/5/-)	
Land/Road Cess	N.A.	-1/5 - (-1/7/7)	N.A.	..	..	-1/9 - (-1/1/3)	N.A.	..	-1/6 - (-1/1/-)	
District Board Tax	N.A.	..	N.A.	1 -1/4 - (-1/8/-)	-1/8 - (-1/4/-)	..	..	N.A.	..	
Octroi Tax	N.A.	..	N.A.	..	Re. 1 (1/4/-) per maund.	..	..	N.A.	..	

ANNEXURE LXXXIX—*contd.*

I	2	3	4	5	6	7	8	9	10	11
Conservancy lighting and water rates.	N.A.	2/3/- (-4/7)	N.A.	Rates N.A. * (-2/3)	..	* 1/- (-2/3)	..	..	..	* Estimated.
Education Cess . .	N.A.	-10/8 (-11/4)	N.A.	..	..	-6/- (-1/10)	N.A.	..	..
Panchayat Tax . .	N.A.	..	N.A.	-8/- (-3/-)	..	..	N.A.	..	..
Total (Incidence per 100 lbs.)	N.A.	(-10/6)	N.A.	(2/13/3)	(2/-/-)	(-11/4)	..	(-15/-)	(-16/-)	

NOTE.— Figures in brackets show incidence per 100 lbs. computed on the basis of average yields of West Bengal (800 lbs.), U. P. (250 lbs.), Punjab (200 lbs.), Madras (700 lbs.), Mysore (500 lbs.), T. C. State (600 lbs.), Coorg (600 lbs.).

SOURCE: Information furnished by respective State Governments.

ANNEXURE XC

A. THE UNITED PLANTERS ASSOCIATION OF SOUTHERN INDIA

Statement showing the approximate expenditure required to implement the provisions of the Plantation Labour Act, 1951, and the Final Model Rules on a tea estate in South India.

Size of estate							300 acres
Labour force required							374 Workers.
S. No.	Section of the Plan- tation La- bour Act	Items	Expenditure				
			Capital	Recurring			
			Rs.	Rs.			
1.	7	Certifying Surgeons	2,300	117			
2.	8	Drinking Water	2,400	1,750			
3.	9	Conservancy	2,400	2,050			
4.	10	Medical Facilities	64,040	14,892			
5.	11	Canteens	7,800	2,260			
6.	12	Creches	14,500	12,633			
7.	13	Recreation Facilities	3,500	830			
8.	14	Education Facilities	26,500	5,800			
9.	15 & 16	Housing Facilities	1,50,00	10,500			
10.	17	Other Facilities—Protection against weather . . . . .	..	3,740			
11.	30	Annual leave with wages . . . . .	..	5,610			
12.	32	Sickness & Maternity Benefits . . . . .	..	1,953			
13.		Other Charges	6,000	3,500			
14.		Loss of interest on Capital Expenditure at 6% . . . . .	..	16,766			
			2,79,440	82,401			
Expenditure per acre			931	275			
Expenditure per worker			747	220			

Increase in cost of production according to production averages.

If average production per acre per year											Increase in cost of production per lb.		
lbs.											Rs.	as.	ps.
400	.	.	.	.	.	.	.	.	.	.	0	11	0
500	.	.	.	.	.	.	.	.	.	.	0	8	9.6
600	.	.	.	.	.	.	.	.	.	.	0	7	4.0
700	.	.	.	.	.	.	.	.	.	.	0	6	3.4
800	.	.	.	.	.	.	.	.	.	.	0	5	6.0
900	.	.	.	.	.	.	.	.	.	.	0	4	10.7
1,000	.	.	.	.	.	.	.	.	.	.	0	4	4.8

NOTE.—There is no significance in taking an estate of 300 acres. It is only taken as a convenient basis for calculations. The figures in the above statement relate to additional costs required to implement the provisions of the Plantation Labour Act, 1951 and the Final Model Rules. No account has been taken of the hospital facilities, canteens, creches, recreation and educational facilities which are already provided on some of the estates as, except on a few large company estates they generally do not conform in some of these services to the prescribed high standards. To the extent that improvements and not entirely new programmes are required, this statement will need to be modified.

Educational Facilities.—Costs on this item applies only to estates which do not pay any education cess and which have not got workers' quarters situated within a mile from any public primary school with sufficient accommodation.

Housing Facilities to workers.—According to Model Rules standards for housing have to be recommended by the Housing Board and approved by State Governments. The present estimates are based on the assumption that the UPASI type plan would be acceptable to State Governments and that some of the existing houses can be brought to that standards by small additions while others may have to be pulled down and rebuilt.

B. THE INDIAN TEA PLANTERS ASSOCIATION, JALPAIGURI

Statement showing the approximate minimum expenditure required to implement provisions of the Plantation Labour Act, 1951, and the Model Rules thereunder of a tea estate of 300 acres in North Bengal.

(DOOARS)

DATAS

- (a) Area under plantation 270.00 acres.
- (b) Working labour 300
- (c) Average production per year 2,000 mds.
(160,000 lbs.)

S. No.	Items	Total Expenditure	
		Capital Expenditure	Recurring Expenditure
		Rs.	Rs.
1.	Certifying Surgeon	2,300	110
2.	Conservancy	5,200	3,534
3.	Medical facilities	42,400	10,000
4.	Canteens	4,600	1,160
5.	Creches	12,500	6,425

S. No.	Items	Total Expenditure	
		Capital Expenditure	Recurring Expenditure
		Rs.	Rs.
6.	Recreational facilities	2,500	700
7.	Housing facilities	3,12,500	18,750
8.	Other facilities . . . . .	..	1,800
9.	Lump (others) . . . . .	..	3,021
		3,82,000	45,500
1.	Expenditure per acre	1,415	168
2.	Expenditure per worker	1,273	152
3.	Expenditure per lb. of tea	2-6-3	0-4

ANNEXURE XCI

A note showing how the percentages of houses conforming to prescribed standards was arrived at

In reply to question 15(c) questionnaire-I information has been received regarding the percentage of houses in various estates conforming to required standards. It is not possible to work out an average for all estates on the basis of this information alone. It is known that the number of workers in an estate requiring houses could be taken to be proportional to the area of the estate. Therefore by multiplying the acreage of each estate by the percentage of houses that conform to standard we can arrive at a figure which will correspond to the number of houses conforming to standards while the total acreage of the estates will correspond to the total number of houses required for labour. If we work out the percentage of the former to the latter it will give us the average percentage of the houses conforming to standards.

The information obtained in this way is shown below:—

	Total Acreage	Acreage corresponding to number of houses conforming to standards	Percentage
South India	83,519	47,220	56.5
North India (Estates outside I. T. A.)	55,397	5,279	9.0

Applying these percentages to the number of houses available as on 1-10-1954 we have worked out the number of houses conforming to standards to be as below:

	Number of houses existing on 1-10-1954	Percentages of houses conforming to standards	Number of houses conforming to standards
I. T. P. A.	28,391	9.0	2,555
A. T. P. A.	5,815	9.0	523
U. P. A. S. I.	38,544	56.5	21,777

From the replies received from I.T.A. it is seen that out of 2,69,043 houses existing on 1-10-1954 72,101 houses conformed to standards. This works to 26.80%. The average for North India covering all estates under I. T. A., A.T.P.A., I.T.P.A., would be 24.79%.

ANNEXURE XCII
Survey of Medical Facilities
A. Indian Tea Association

Items	Plantation Labour Act Specification	Deviation from Plantation Labour Act (+ or—)					
		Darjeeling	Terai	Dooars	Assam	Cachar	North-East India
Hospital Beds	15	-11.96	-8.09	-8.89	-0.17	-8.33	-3.66
Doctor	0.57	+0.18	+0.93	..	-0.01	+0.06	+0.03
Midwife	0.57	-0.01	+24.00	+0.02	+0.20	+0.08	+0.14
Nurse	1.43	-0.78	+0.07	-0.63	-0.70	-0.84	-0.70
Compounder	0.57	-0.03	-0.26	-0.26	+0.07	-0.02	-0.02
Health Asstt.	0.47	Nil	-0.28	-0.28	-0.20	-0.39	-0.24

B. Indian Tea Planters Association

Items	Plantation Labour Act Specification	Deviation from Plantation Labour Act (+ or—)					
		Darjeeling	Terai	Dooars	Assam	Bihar	Total
Hospital Beds	15	-11.8	-9.8	-5.8	-8.2	-11.9	-7.1
Doctors	0.57	+5.13	+3.83	+2.53	+2.53	+1.63	+2.53
Midwife	0.57	+0.83	-0.14	+0.01	+0.01	-0.01	+0.23
Nurse	1.43	..	1.09	-0.95	0.55	-0.99	-1.00
Compounder	0.57	+2.33	+0.53	+0.59	+0.63	+1.13	+0.73
Health Asstt.	0.47	..	..	+0.13	..	..	-0.03

C. Tea Associations in South India

Name of Association	Deviations from Plantation Labour Act (+ or—)					
	Hospital Beds	Doctor	Midwife	Nurse	Compounder	Health Asstt.
Anamalai Planters'	-2.28	-0.30	-0.32	-1.12	0.32	-0.25
Malabar Planters'	-7.37	1.27	-0.23	-0.43	+1.82	0.12
Nilgiri Planters'	-8.76	-0.01	+0.59	-1.18	0.14	-0.46
Nilgiri Wynaad Planters'	-3.95	-0.22	-0.12	-1.31	-0.01	-0.45
Wynaad Planters'	-11.52	-0.51	-0.46	-1.33	+0.08	-0.29
Central Travancore Planters'	-8.20	-0.29	-0.14	-1.23	+0.14	-0.11
Kannan Devan Planters'	-5.38	-0.20	+0.26	-0.77	-0.01	-0.41
Mundakayam Planters'	-1.66	+0.05	+0.08	-0.83	-0.09	-0.27
South Travancore Planters'	-5.80	-0.17	+0.08	-1.03	-0.42	-0.37
Coorg Planters'	-9.24	-0.43	-0.23	-1.11	+0.62	+0.48
Billigiri Planters'	-0.15	-0.22	-0.22	-1.08	-0.22	-0.47

ANNEXURE XCIII

A. Statement showing estimates of capital and recurring cost for a garden hospital (In Rupees)

Items	MYSORE		TRAVANCORE-COCHIN		WEST BENGAL		UPASI		ITPA	
	Capital Recurring		Capital Recurring		Capital Recurring		Capital Recurring		Capital Recurring	
	2	3	4	5	6	7	8	9	10	11
	(4 beds)		(5 beds)		(15 beds)		(25 beds)		(5 beds)	
Building	12,000	N.A.	20,000	N.A.	1,51,180	..	1,20,000	5,500	20,000	1,600
Equipment	500	N.A.	..	N.A.	3,500	..	12,000	1,200	1,000	..
Drugs . . . . .	..	2,500	..	†25,000	..	4,087	..	‡15,000	..	N.A.
Staff:—										
Doctor . . . . .	..	*1,650(1)	..	..	..	2,880(1)	..	6,000(1)	..	N.A.
Nurse . . . . .	..	..	..	..	..	3,600(3)	..	3,600(2)	..	1,200(1)
Compounder . . . . .	..	*507(1)	..	..	..	1,140(1)	..	1,800(1)	..	1,200(1)
Health Assistant/Anti Malaria Assistant . . . . .	..	..	..	..	..	1,260(1)	..	1,440(1)	..	..
Mid-wife . . . . .	..	*507(1)	..	..	..	1,200(1)	..	1,200(1)	..	..
Clerk . . . . .	..	..	..	..	..	..	..	1,800(1)	..	..
Ward/Dispensary Attendant . . . . .	..	*198(1)	..	..	..	1,872(3)	..	2,400(5)	..	..
Waterman/Medicine Carrier . . . . .	..	*198(1)	..	..	..	624(1)	..	..	..	..
Sweeper . . . . .	..	..	..	..	..	1,872(3)	..	1,080(2)	..	720(1)

ANNEXURE XCIII—*contd.*
A—*contd.*

1	2	3	4	5	6	7	8	9	10	11
Dhobi . . . . .	..	..	..	..	..	..	..	1,080(2)	..	..
Cook . . . . .	..	..	..	..	..	624(1)	..	1,140(2)	..	600(1)
Total Staff . . . . .	..	3,060	..	..	..	15,000 approxi- mately	..	21,780	..	3,720
<i>Houses for Staff:—</i>										
Doctor . . . . .	..	..	..	..	16,500(1)	..	..	..	..	..
Nurse & Mid-wife . . . . .	..	..	..	..	18,240(4)	..	..	..	..	..
Compounder	N.A.	N.A.	..	..	14,200(1)	..	85,000	4,633	11,000	..
Sweeper . . . . .	..	..	..	..	7,500(3)	..	..	..	..	..
Cook . . . . .	..	..	..	..	2,500(1)	..	..	..	..	..
Ward Attendant/Health Assistant, etc. . . . .	..	..	..	..	12,500(5)	..	..	..	..	..
					71,440					
Others . . . . .	..	456	..	..	..	6,960	..	5,000	..	2,680
Family Planning Centre . . . . .	..	..	..	..	22,860	5,880	..	..	..	..
Total	12,500	6,000 (approx.)	20,000	25,000	2,48,000 (approx.)	27,000 (approx.)	2,17,000	52,800 (approx.)	..	8,000

*Exclusive of Dearness and other allowances.

† Includes salary of staff etc. also.

‡ Includes expenditure on account of Food, linen also.

Figures in brackets indicate number of persons.

Sources.—Replies received from State Governments and Planters' Associations.

ANNEXURE XCIII—*contd.*

B. Estimated capital and recurring expenditure required for a 15 bed hospital on the basis of the estimate of West Bengal Government and the deviation from the Plantation Labour Act specifications in the gardens in the membership of Indian Tea Association

(In Rupees)

Region	Capital	Recurring
Assam	13,873·20	3,776·94
Cachar	1,03,335·00	9,107·84
Darjeeling	1,34,234·22	9,402·27
Dooars	1,06,185·67	8,136·97
Terai	90,794·14	5,253·96
North India (Average)	47,171·28	5,818·53

For a 5 bed hospital (*i.e.*, for a 300 worker estate) it would work out as below:—

Region	Capital	Recurring
Assam	4,624·40	1,253·98
Cachar	34,445·00	3,035·95
Darjeeling	44,744·74	3,134·09
Dooars	35,395·22	2,712·32
Terai	30,264·71	1,751·32
North India (Average)	15,723·76	1,939·51

C. Estimated capital and recurring expenditure required on the basis of the estimates furnished by the West Bengal Government and the deviations from the Plantation Labour Act specifications in the gardens in the membership of Indian Tea Planters Association

Region	Capital	Recurring
Assam	91,573·78	6,895·58
Dooars	71,927·08	7,568·27
Darjeeling	1,21,681·60	8,690·13
Terai	1,18,447·54	10,183·89
Bihar	1,35,340·49	10,601·11
North India (Average)	85,970·44	8,057·90

ANNEXURE XCIII—*contd.*

For a 5 bed Hospital (*i.e.*, for a 300 worker estate) it would work out as under:—

Region	(In Rupees)	
	Capital	Recurring
Assam	30,524.59	2,298.53
Dooars	23,975.69	2,522.76
Darjeeling	40,560.53	2,896.71
Terai	39,482.51	3,394.63
Bihar	45,113.49	3,533.70
North India (Average)	28,656.81	2,685.97

D. Estimated capital and recurring expenditure required for a 25 bed hospital on the basis of the estimate provided by the United Planter's Association of South India and the deviations from Plantation Labour Act furnished by the respective Associations

Name of Association	Capital Cost	Recurring Cost
Anamalai Planters' Association	49,332.57	14,032.50
Malabar Planters' Association	70,976.00	12,992.24
Nilgiri Planters' Association	94,786.47	19,163.81
Nilgiri-Wynaad Planters' Association	63,476.11	16,245.33
Wynaad Planters' Association	1,24,034.77	24,975.53
Central Travancore Planters' Association	91,918.82	21,361.31
Kannan Devan Planters' Association	68,380.91	15,498.64
Mundakayam Planters' Association	27,239.62	7,033.94
South Travancore Planters' Association	78,039.54	18,292.93
Coorg Planters' Association	1,12,111.68	24,662.65
Billigiri Planters' Association	1,62,120.93	32,746.16

For a five bed hospital the following would be the corresponding figures:

Name of Association	Capital Cost	Recurring Cost
Anamalai Planters' Association	9,866.51	2,806.50
Malabar Planters' Association	14,195.20	2,584.45
Nilgiri Planters' Association	18,957.29	3,834.76
Nilgiri-Wynaad Planters' Association	12,695.22	3,249.07
Wynaad Planters' Association	24,806.95	4,995.07
Central Travancore Planters' Association	18,383.76	4,272.26
Kannan Deven Planters' Association	13,676.18	3,099.73
Mundakayam Planters' Association	5,447.92	1,406.79
South Travancore Planters' Association	15,607.91	3,658.59
Coorg Planters' Association	22,422.34	4,932.53
Billigiri Planters Association	32,424.19	6,549.23

ANNEXURE XCIII—*contd.*

E. *Statement showing estimates (revised) of minimum expenditure required to implement provisions of the Plantation Labour Act, 1951 by a tea estate of 300 acres in North India*

DATAS

- (a) Area under plantation 270·00 acres
 (b) Working Labour 300
 (c) Average production per year 2,000 Mds.

(160,000 lbs.)

(In Rupees)

Items	Expenditure	
	Capital	Recurring
Certifying Surgeon	2,300	110
Conservancy	5,200	3,534
Medical Facilities	27,759	4,934
Canteens	4,600	1,160
Creches	12,500	6,425
Recreational Facilities	2,500	700
Housing Facilities	1,56,750	9,405
Other Facilities . . . . .	..	1,800
Lump (others) . . . . .	..	3,021
Total .	2,11,609	30,189
	Capital	Recurring
	Rs. as. ps.	Rs. as. ps.
Expenditure per acre	784 0 0	112 0 0
Expenditure per lb. of tea	1 5 2	0 3 0
Expenditure per worker	705·3 0 0	100·6 0 0

ANNEXURE XCIII—*concl'd.*

F. *Statement showing estimates (revised) of minimum expenditure required to implement the provisions of the Plantation Labour Act, 1951, on a tea estate of 300 acres in South India*

(In Rupees)

Size of estate	300 acres	
Labour force required	374 workers	
	Expenditure	
Items	Capital	Recurring
Certifying Surgeons	2,300	117
Drinking Water	2,400	1,750
Conservancy	2,400	2,050
Medical facilities	33,146	7,659
Canteens	7,800	2,260
Creches	14,500	12,633
Recreation Facilities	3,500	830
Education Facilities	26,500	5,800
Housing Facilities	1,08,375	6,750
Other Facilities—Protection against weather . . . . .	..	3,740
Annual leave with wages. . . . .	..	5,610
Sickness and Maternity Benefits . . . . .	..	1,953
Other charges	6,000	3,500
Total	2,06,921	54,652
Expenditure per acre	689·7	182·2
Expenditure per lb. (at 600 lbs. per acre).	1·2·3	(Capital a/c)
Expenditure per worker	553·3	146·1

Increase in cost of production according to production averages

If average production per acre per year		Increase in cost of production per lb.		
Lbs.		Rs.	as.	ps.
400		0	7	3
500		0	5	10
600		0	4	10
700		0	4	2
800		0	3	8
900		0	3	3
1,000		0	2	11

ANNEXURE XCIV

Statement showing net increase in recurring expenditure per worker and per lb. due to implementation of Plantation Labour Act in Northern and Southern India

(In Rupees)

NORTHERN INDIA				SOUTHERN INDIA			
Estimated recurring expenditure per worker as indicated by Indian Tea Planters' Association	Money value of existing amenities (Details shown below)†	Net increase in recurring expenditure per worker		Estimated recurring expenditure per worker as indicated by United Tea Planters' Association	Money value of existing amenities (Details shown below)†	Net increase in recurring expenditure per worker	
152	53.5	98.5	0-2-6 *	220	84	136	0-3-6*

*On the basis of 1.2 workers per acre and 750 lbs. per acre as the average yield.

† Estimate of money value of existing welfare amenities—Northern India		† Estimate of money value of existing amenities—Southern India	
Money value of amenities per month (as reported by the Controller of Emigrant Labour for reporting companies)	13.61 Lakh Rs.	The following was the average expenditure on amenities for workers by reporting estates, placed before the Madras Tribunal in the year 1951-52	
Total labour force of reporting companies	3.03 Lakh Rs.	Medical aid	22 4 11
Average value of amenities per worker	4.49 Lakh Rs.	Sickness and Maternity benefit	5 13 0.3
Annual value of amenities per worker	53.5 Lakh Rs.	Housing	33 3 5.7
		Education	2 12-6.9
		Cumby bonus	7 12 3.3
		Creches and free meals to workers' children	11 15 3.2
		Total cost per worker	83 13 6.4

Rs. as. ps.

ANNEXURE XCV

*Statement showing the available internal working funds per acre for 247 tea companies
(according to types of management)*

(In Rupees)

Type of Ownership/Management	Number of companies	1939	1946	1953
<hr/>				
<i>Sterling companies</i> (Controlled by Managing Agents/Secretaries, etc.	95	372·50	520·40	706·15
<i>Rupee companies:</i>				
<i>Non-Indian Managing Agents Control:</i>				
Non-Indian	25	334·19	760·10	378·51
Partly Indian and Partly Non-Indian	51	262·65	612·33	712·76
<i>Indian Managing Agents Control:</i>				
Indian	19	28·80	765·67	1,175·83
Partly Indian and Partly Non-Indian	11	188·57	592·16	516·58
<i>Outside Managing Agents Control:</i>				
Public Ltd. Indian	43	76·92	506·44	855·11
Private Ltd. Indian	3	50·33	113·06	551·90
<hr/>				
Average	247	304·30	551·30	708·18
<hr/>				

SOURCE: Balance sheets and profit and loss account of tea companies.

ANNEXURE XCVI

Statement showing the retained profits of 247 tea companies per acre (by types of management)

Type of ownership/ Management		Average Area 1950-53 (in Acres)	Average Re- tained Profits 1950-53 (in Rs.)	Average Re- tained Profits per Acre (in Rs.)
<i>Sterling Companies: (Controlled by Managing Agents/Secretaries, etc.)</i>	(95)	2,61,726	1,22,21,710	46·70
<i>Rupree companies:</i>				
<i>Non-Indian Managing Agents Control:</i>				
Non-Indian	(25)	22,021	4,02,596	18·28
Partly Indian and Partly Non- Indian	(51)	45,661	24,23,831	53·08
<i>Indian Managing Agents Control:</i>				
Indian	(19)	10,587	15,71,803	148·47
Partly Indian and Partly Non- Indian	(11)	7,348	1,52,080	20·69
<i>Outside Managing Agents Control:</i>				
Public Ltd. Indian	(43)	26,622	21,26,782	79·89
Private Ltd. Indian	(3)	816	79,948	97·98
Total	(247)	3,74,781	1,89,78,750	50·63

NOTE.—Figures in brackets indicate number of companies.
SOURCE: Balance-sheets and profit and loss a/c of tea companies.

ANNEXURE XCVI-A

*Statement showing the retained profits of 247 tea companies per acre
(according to regions)*

Region		Average Area 1950-53 (in acres)	Average re- tained profits 1950-1953 (in Rs.)	Average Re- tained Profits per acre (in Rs.)
Assam		1,26,232	71,86,614	56·93
Cachar		40,349	—10,03,952	—24·88
Dooars		86,958	72,66,022	83·55
Darjeeling		29,421	—2,20,219	—7·48
Terai		3,795	2,34,416	61·77
Tripura		982	18,082	18·41
U. P.		1,245	33,135	26·61
Bihar		1,472	92,099	62·57
S. India*		47,368	23,44,464	49·49
S. India**		36,959	30,28,089	81·93
Total		3,74,781	1,89,78,750	50·63

NOTE.—*Denotes companies having tea only.

**Denotes companies having other interests besides tea for which amounts attributable to tea only are given.

SOURCE: Balance Sheets and profit and loss account of tea companies.

ANNEXURE XCVII

Statement showing area, production, number of estates and yield per acre according to size of holdings in different regions

(Production figures in lbs.)

STATE	Up to 5 acres				Above 5 acres but below 25 acres				25 acres and above but below 50 acres				50 acres and above but below 100 acres			
	Area		No. of Estates		Area		No. of Estates		Area		No. of Estates		Area		No. of Estates	
	Area	Production	No. of Estates	Yield per acre	Area	Production	No. of Estates	Yield per acre	Area	Production	No. of Estates	Yield per acre	Area	Production	No. of Estates	Yield per acre
Assam	58.74	1,891	28	32.19	695.10	103,064	52	148.27	1,037.84	279,637	28	269.44	4,784.24	1,717,063	65	358.89
W. Bengal } Cooch Bihar. }	16.98	5,473	4	322.32	30.52	13,095	3	429.06	47.00	10,293	1	219.00	315.41	30,739	5	97.46
Bihar	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Uttar Pradesh	..	..	..	..	169.36	9,229	10	54.49	415.86	39,453	12	94.87	270.35	85,673	4	317.01
Tripura	..	..	..	..	29.19	15,974	2	547.24	..	..	..	..	108.70	28,082	2	258.34
Punjab (Kangra)	3,948.90	..	866	..	910.45	..	215	..	718.87	..	23	..	764.00	..	11	..
Himachal Pradesh	366.86	..	176	..	482.77	..	48	..	25.10	..	1	..	..	..	..	..
*Total North India.	4,391.48	7,364	1,074	97.00	2,317.39	141,362	330	152.99	2,244.67	329,383	65	212.73	6,242.70	1,861,557	87	339.76

NOTE.—*Yield per acre is exclusive of the acreage for which production figures are not available.

ANNEXURE XCVII—*contd.*

STATE	Up to 25 acres*					(Production figures in lbs.)						
	25 acres and above but below 50 acres					50 acres and above but below 100 acres						
	Area	Produc- tion	No. of Esa- tes	Yield per acre		Area	Produc- tion	No. of Esta- tes	Yield per acre			
Madras .	8,118.36	2,792,872	..	344.02	1,616.17	710,859	..	439.84	2,762.28	1,175,318	..	425.49
T. C. State	3,203.94	607,348	..	189.56	665.69	350,587	..	526.65	1,150.27	240,845	..	215.99
Mysore	..	..	..	..	46.00	9,417	..	204.72	76.60	15,682	..	204.73
Coorg	..	..	..	..	..	..	..	..	..	..	..	..
Total South India .	11,322.30	3,400,220	..	300.32	2,327.86	1,070,863	..	459.93	3,989.15	1,431,845	..	358.90
*Total All India .	18,031.17	3,548,946	..	275.95	4,572.53	1,400,426	..	363.10	10,231.85	3,293,402	..	347.85

Note —* Break up figures of estates covering less than 25 acres not available for South India.

ANNEXURE XCVII—*concl'd.*

(Production figures in lbs.)

STATE	100-300 acres			300-500 acres			above 500 acres					
	Area	Production	No. of Estates per acre	Area	Production	No. of Estates per acre	Area	Production	No. of Estates per acre			
Assam .	29,534.48	15,621,628	157	528.92	44,944.43	35,494,314	116	789.72	303,596.90	268,834,326	340	885.77
W. Bengal } Cooch Bihar }	8,636.24	4,508,145	39	522.00	25,336.96	13,861,183	63	555.09	1,62,240.03	143,831,318	180	886.42
Bihar .	107.00	8,958	1	83.72	2,207.32	969,973	5	439.36	1,823.06	1,427,824	3	783.20
Uttar Pradesh	2,230.04	392,952	14	176.21	1,254.05	300,972	3	239.82	1,850.00	742,025	3	401.07
Tripura .	8,159.06	2,469,804	41	302.71	3,563.30	1,291,850	10	362.28	..	..	..	..
Punjab												
(Kangra) .	1,646.40	..	11	..	1,007.00	..	3	..	606.00	..	1	..
Himachal Pradesh .	185.00	..	1	..	..	..	..	..	..	..	..	..
*Total North India .	50,498.22	23,001,487	264	472.63	78,313.06	51,918,292	200	671.45	4,70,115.99	414,835,493	527	883.34
Madras .	9,316.14	6,415,187	49	688.60	10,545.48	7,598,341	27	720.50	52,909.73	44,173,159	62	834.90
T. C. State .	9,274.02	3,954,777	48	426.40	10,277.70	7,108,296	23	691.60	58,897.19	42,081,387	74	714.30
Mysore .	589.28	110,957	3	188.30	1,272.56	691,811	3	543.60	2,238.20	1,186,704	3	530.20
Coorg	..	..	..	..	432.08	279,133	1	646.00	..	..	..	..
Total South India .	19,179.44	10,480,921	100	546.47	22,527.82	15,677,581	54	695.92	1,14,045.12	87,441,250	139	766.73
*Total All-India .	69,677.66	33,482,408	364	493.51	1,00,840.88	67,595,873	254	677.07	5,84,161.11	502,276,743	666	860.72

NOTE.—*Yield per acre is exclusive of the acreage for which production figures are not available.
 SOURCE: Data furnished by Tea Board.

ANNEXURE XCVIII

Statement showing yield per acre of estates calssified into estates of less than 100 acres, 100 acres and above and estates of all sizes in different regions

(In lbs.)

Region	Less than 100 acres Yield per acre	100 Acres and above Yield per acre	All Sizes Yield per Acre
Assam	319.64	846.33	837.26
W. Bengal } Cooch Bihar }	145.36	825.47	825.24
Bihar . . . . .	..	581.71	581.71
Uttar Pradesh	157.03	269.20	253.70
Tripura	319.50	320.81	320.82
Punjab (Kangra) . . . . .	..	..	182.99
Himachal Pradesh . . . . .	..	..	217.98
Total North India .	293.23	822.44	804.51
Madras	374.40	799.60	737.30
T. C. State	238.80	577.40	651.10
Mysore	204.70	485.20	477.10
Coorg . . . . .	..	646.00	646.00
Total South India .	334.65	729.36	689.21
Total All India .	321.36	802.83	789.83

SOURCE: Data furnished by Tea Board.

ANNEXURE XCIX

The graph appears in the body of the report on page.....

ANNEXURE C
Statement showing yield per acre arranged according to districts during 1939 to 1953
 North India

State and districts	1939	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1952	1953
(In lbs.)															
<i>Assam:—</i>															
Darrang	661.3	674.7	724.2	783.9	770.2	729.9	763.1	844.2	901.1	95.2	947.9	927.2	943.1	1,000.6	939.1
Goalpara	..	..	..	..	736.6	580.9	706.2	925.6	1,026.5	1,022.9	955.5	970.2	968.6	929.1	850.5
Kamrup	517.2	600.9	640.7	714.8	507.2	382.2	383.6	536.4	583.2	589.4	593.1	601.3	542.3	494.1	515.3
Lakhimpur	746.6	745.9	812.2	824.4	774.3	713.7	753.8	962.9	983.5	971.9	977.8	1,036.4	1,073.6	1,071.5	1,037.3
Nowgong	521.1	531.2	579.1	677.3	592.8	546.9	556.1	549.7	657.7	670.5	729.0	734.0	646.1	859.2	788.5
Sibsagar	581.6	580.3	627.0	701.9	636.2	562.4	627.9	698.2	709.5	698.8	716.5	761.8	819.7	817.2	743.6
Cachar	480.5	477.3	488.4	569.6	501.9	475.3	525.8	556.4	555.2	549.2	545.1	639.1	579.84	550.4	576.7
Sylhet	536.0	529.8	550.1	646.3	627.9	560.1	579.5								
<i>West Bengal:—</i>															
Darjeeling	327.2	340.4	357.1	372.7	405.9	356.0	359.7	386.3	243.8	405.7	454.3	427.4	422.5	394.8	348.8
Dooars	647.8	670.9	702.9	905.3	899.1	798.8	851.2	974.1	956.9	963.8	1,037.6	1,092.2	1,047.3	962.4	989.9
Terai	441.1	500.1	490.0	590.6	539.7	599.4	524.1	644.7	671.7	632.2	702.4	725.6	671.6	634.2	630.5
Cooch-Bihar	..	..	..	..	..	..	..	..	..	..	..	117.3	268.5	380.4	..
Tripura	263.1	295.4	302.5	324.1	294.7	256.5	241.2	295.3	310.3	321.6	296.0	373.2	351.6	275.9	316.3
Bihar	146.4	183.2	445.8	557.7	541.6	486.2	501.0	631.9	554.8	504.2	535.6	597.1	595.5	537.6	577.0
United Pro- vince	265.3	294.1	268.7	335.6	299.1	255.6	233.5	270.1	257.7	225.9	275.8	279.1	308.8	268.1	219.1
Punjab (Kan- gra Valley)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	207.3	231.9	256.1	182.9
Mandi	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	206.8	237.2	216.4	217.6

SOURCE: Tea Board.

ANNEXURE—*concd.*

South India

(In lb.)

State	1939	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1952	1953
Anamalais .	577	614	646	690	709	751	693	713	752	756	733	742	870	940	1,001
Madura .	593	607	591	582	659	737	716	642	632	765	752	664	866	905	850
Malabar .	505	516	374	389	418	363	290	251	379	476	906	877	976	838	762
Malabar-wynaad	543	571	596	644	679	699	687	703	782	620	569	591	642	600	696
Nilgiris .	335	344	369	345	420	452	422	454	510	552	525	484	538	454	614
Nilgiris-Wynaad .	472	527	575	639	670	669	629	653	695	630	548	493	606	598	689
Tirunelvely .	..	..	..	..	..	..	..	..	..	528	532	666	737	454	423
Coorg .	314	498	458	548	581	655	543	644	783	935	792	527	626	610	646
Mysore .	235	285	341	352	382	348	316	359	402	424	381	362	459	466	477
Travancore-Central .	523	527	518	649	659	615	608	631	495	630	714	750	807	802	828
Kanan Devan .	530	514	541	635	617	594	599	605	574	620	548	575	700	616	636
Mundakayam .	308	253	336	365	411	446	391	391	426	416	333	349	370	376	418
Travancore-South .	355	342	367	457	525	499	400	455	463	471	452	534	565	555	588
Cochin .	493	559	651	714	773	738	721	792	800	884	895	865	1,031	977	1,068

SOURCE: Tea Board.

APPENDICES

LIST OF APPENDICES

- I. Government of India, Ministry of Commerce & Industry Notification No. S. R.O. 1261 dated 17th April, 1954.
- II. Questionnaire—Tea.
- III. Questionnaire—Coffee.
- IV. Questionnaire—Rubber.
- V. List of Associations and others from whom replies to questionnaire were received.
- VI. Proforma 'A', 'B' and 'C' for small growers holding less than 100 acres—Tea.
- VII. Proforma 'A', 'B' and 'C' for small growers holding less than 100 acres—Coffee.
- VIII. Proforma 'A', 'B' and 'C' for small growers holding less than 100 acres—Rubber.
- IX. List of Tea, Coffee and Rubber estates taken up for cost analysis by the Cost Accountants, Ministry of Finance.
- X. List of estates visited and list of associations of growers and workers, statutory bodies and officers of State Governments who interviewed the Commission during their tours.
- XI. Terms and conditions of land grants for tea cultivation in different states.
- XII. Statement showing the number and acreage of limited companies/partnership concerns in the membership of various associations.
- XIII. List of tea traders' organisations.
- XIV. Report of the Cost Accountant, Ministry of Finance on the cost of production of tea in respect of selected tea estates in North India.
- XV. Report of the Cost Accountant, Ministry of Finance on the cost of production of tea in respect of selected tea estates in South India.
- XVI. Schedule of services rendered and the charges made by the public warehousemen.
- XVII. List of services rendered by Calcutta Tea Brokers to sellers and buyers.
- XVIII. Rules of the Calcutta Tea Traders Association and the Tea Traders Association of Cochin regarding sale by auction.
- XIX. Statement showing profits made by three blending firms in their packing and tea distribution trade during the period 1950-53.
- XX. List of tea estates of foreign ownership purchased by Indian nationals in the last few years.

APPENDIX I

GOVERNMENT OF INDIA

MINISTRY OF COMMERCE AND INDUSTRY

NOTIFICATION

New Delhi, the 17th April, 1954.

S.R.O. 1261—Whereas the Central Government is of the opinion that having regard to the importance of the tea, coffee and rubber industries in the national economy of the country, a comprehensive inquiry should be made into the economic conditions and problems of these industries.

Now, therefore, in exercise of the powers conferred by section 3 of the Commissions of Inquiry Act, 1952 (LX of 1952) the Central Government hereby appoints a Commission of Inquiry consisting of the following members, namely :—

1. Shri P. Madhava Menon, I.C.S., OSD and ex-officio Joint Secretary, Ministry of Commerce and Industry who is hereby appointed as the Chairman of the Commission ;
2. Shri K.G. Sivaswamy, formerly of the Servants of India Society, Madras, and Research Associate of the Delhi School of Economics; and
3. Prof. M.V. Mathur, Head of the Department of Economics, Rajputana University, Jaipur;

for the purpose of making a comprehensive inquiry into the economic conditions and problems of the tea, coffee and rubber industries.

2. In particular, and without prejudice to the generality of the foregoing power, the Commission shall, in the course of the inquiry perform the following functions, that is to say, shall

- (a) ascertain separately the amount of capital, Indian and non-Indian, invested respectively in tea, coffee and rubber plantations;
- (b) examine the methods of production and the costs of production of tea, coffee and rubber in the different important growing areas in India;
- (c) examine the present methods of financing tea, coffee and rubber plantations;
- (d) examine the present methods of marketing tea, coffee and rubber including all the factors which affect the price paid by the consumer;
- (e) examine the possibilities of further expansion and development of the tea, coffee and rubber plantation industries.

3. On the conclusion of the enquiry the commission shall make recommendations to Government on the measures necessary :

- (a) to secure for the producer a fair price for his product and to the consumer a fair price for the article he buys ;
- (b) to enable the provision of necessary finance for the plantation industries ;
- (c) to ensure suitable marketing arrangements; and
- (d) to develop and expand the tea, coffee and rubber plantation industries.

4. The Commission shall submit its report to the Central Government within one year from the date of the publication of this Notification in the Official Gazette.

[No. 55(49)Plant/53]

(Sd.) A. NIYOGI,

Deputy Secretary to the Govt. of India.

APPENDIX II

PLANTATION INQUIRY COMMISSION

Questionnaire I

TEA

[To be answered in particular by Managing Agents, Companies (Public Limited and Private Limited), Proprietary Concerns and individuals owning or having under their management Tea estates.]

A—Capital and Management

1. Please furnish replies to the proforma 'A' or 'B' whichever is applicable to you and supply copies of your Balance Sheets and Profit and Loss Accounts for the years 1939, 1946, 1950, 1951, 1952 and 1953.
2. If your affairs are administered by Managing Agents or Secretaries, please state whether the Managing Agent or Secretary is a Company and if a Company, whether it is public or private and whether it is incorporated in India or abroad
3. If the Managing Agents are a Company, please indicate the proportion of its capital owned by Indians and non-Indians respectively and the number of Indian and non-Indian Directors on its Board.
4. The terms and conditions of appointment of the Managing Agents and the remuneration payable to them under different heads may be stated. Please state the actual amounts paid under the different heads in each year 1950 to 1953.
5. (a) If you are a Managing Agent, please
 - (i) give the name of Tea estates and other concerns managed by you,
 - (ii) describe the 'group' services rendered by you to these concerns, as for example, in connection with technical, administrative, legal or financial matters.
- (b) Do any of the concerns other than Tea companies under your management render any service to your Tea companies? If so, what are the services rendered by each such concern to your Tea companies? Please state the amounts paid by your Tea companies in the year 1953 to each such concern for such services.

B—Production Technique and Costs

6. Please furnish statement of costs for each garden in proforma 'C' for each of the years 1950, 1951, 1952 and 1953.
7. What percentage of standing Tea bushes in your estate were planted
 - (i) before 1900
 - (ii) between 1900 and 1910
 - (iii) between 1910 and 1920
 - (iv) between 1920 and 1930
 - (v) after 1930.For how many more years can the bushes of the different age groups be expected to maintain reasonable productivity?

8. Please give

- (a) the total area of your garden and the terms on which the land is held whether on lease or freehold and the rent or land revenue payable,
- (b) new areas in acres planted during the 10 years ending 1953 on (i) virgin jungle and (ii) reclaimed land,
- (c) areas in acres replanted during the same period,
- (d) planted area in acres abandoned during the period and the reasons therefor,
- (e) estimate of cost incurred by you in (i) new planting and (ii) replanting, one acre with Tea and tending it for a period of 5 years. The information may be furnished giving details as shown below :—

Year of Planting	Cost per acre including Cost of Tending for 5 Years		Cost per Acre including Cost of tending for 5 years.
	New Planting		
	On virgin jungle	On reclaimed land	Replanting Existing old Cultivation
	Rs.	Rs.	Rs.
1944	.	.	.
1948	.	.	.

(NOTE.—If there were no new plantings or replantings in your estate in the years 1944 and 1948, figures for the years nearest to these two years in which there were new plantings and replantings may be given.)

9. What is your estimate of cost under present conditions of planting one acre with tea bush and tending it for a period of 5 years. The information may be furnished in the same details as shown under 8 (e) above.

(NOTE.—It is assumed that on the average a tea bush begins to yield in 5 years after planting.)

10. Have you any plans for increasing production by improved methods of cultivation like intensive manuring and replanting with better planting material? If so, please give particulars of your plans for the next few years and increased yield expected per acre.

11. (a) What are the main items of stores required for a tea estate?

(b) What procedure do you adopt in appointing your purchase agents for the important items of stores? Are you, or any firm under your agency, your stores purchasing agent?

(c) Are there any special difficulties in getting the stores in required quantities and of the required quality? If so, what solution do you suggest?

12. (a) What are the quantities and values of manure (organic and inorganic) used and the acreage manured in the estate in the years 1950, 1951, 1952 and 1953? (Figures should be given separately for each variety of manure used.)

(b) In your opinion, have the quantities used been adequate?

(c) Which manure in your opinion gives the best results and at what cost per acre per annum?

13. (a) Are spraying, dusting or other control measures done against pests or diseases or any other pest control measures undertaken by you ? Briefly indicate what they are.
- (b) Are spraying, dusting or other control measures adopted periodically as a routine measure for protection or only when there is an attack by pests or diseases.
- (c) What were the acreage sprayed, dusted or treated in other ways for pest control in each of the years 1950, 1951, 1952 and 1953 and what was the average cost per year per acre sprayed or otherwise treated ?
14. (a) Is there a surplus, adequacy or dearth of labour in the region in which your estate is situated ? Have you any suggestions to make regarding recruitment and assured supply of labour ?
- (b) What was the average number of labourers (Men, Women, Adolescent and Children to be shown separately) employed in your estate in each of the last 4 years 1951 to 1954 ? What was their average attendance during the working days in each year ? Please show figures for permanent, temporary and casual labour separately.
15. (a) Of the permanent workers, how many are living on the estate ? Are all of them provided with living quarters ? If not, what is the percentage of labour not provided with quarters ?
- (b) Are there any non-working dependents living on the estate and if so, what is their number ?
- (c) What is the type of accommodation provided for labour ? What percentage of existing quarters conform to any prescribed scales ?
- (d) Is any housing provided for permanent workers not living on the estate ?
16. What were the different kinds of wage rates and D.A. paid to workers—men, women, adolescent and children (permanent, temporary and casual) in the years 1950, 1951, 1952, 1953 and 1954 ?
17. Are any allowances or other monetary concessions paid in addition to wages and D.A. ? If so, detail them.
18. Is any *khet* land allotted for cultivation to Labour in your estate ? If so, what is the total area of *khet* land in your estate and average area allotted per family ? Is any charge levied for the use of *khet* land by Labour ?
19. Are any bonuses paid to Labour ? If so, what are the rates and kinds of such bonuses ?
20. Please furnish details of medical facilities available to Labour.
21. Are any other labour welfare benefits provided ? If so, give details together with total amounts spent in each of the last three years.
22. (a) Is there any period during which the workers are laid off ?
- (b) Are any wages, other allowances or compensation paid during this period ? If so, furnish number of workers laid off and amount paid during the years 1950, 1951, 1952, and 1953.

23. (a) Please furnish the following particulars regarding

(1) Managerial Staff including Deputy and Assistant Managers; and

(2) Senior staff other than Managerial staff,
employed in your estate in the years 1939, 1946, and 1954;

(i) Number employed, and

(ii) Rates of pay, allowances and concessions in cash and kind (such as pension, provident fund, free quarters or house allowances, marriage allowances, child allowance, conveyance allowances, servant allowances or free servant, leave etc.).

[Particulars for Indian and non-Indian personnel to be shown separately.]

(b) Are any commissions paid to the Managerial staff and Senior Staff other than Managerial staff. If so, what are the rates at which commissions are paid? What were the actual amounts paid in the years 1950, 1951, 1952 and 1953? Please furnish particulars in the form given below :—

Year	Amount paid as commission to		Total
	Managerial staff including Deputy and Assistant Managers	Senior staff other than Managerial staff	
1950	.	.	.
1951	.	.	.
1952	.	.	.
1953	.	.	.

(c) Please furnish the following particulars regarding the supervisory (Including Head Moharrirs, Hazaira Moharrirs, Maistries, Sardars, etc.) clerical, technical and inferior (*i.e.* Durwans, Peon, Chowkidars, etc.) staff employed in the estate.

(i) Number employed,

(ii) Rates of pay and other allowances and concessions.

24. What is the basis on which depreciation is provided in your accounts in respect of your buildings, plant and machinery and other accessories?

25. Have you been providing depreciation including provision for rehabilitation of planted acreage and what is the total depreciation provided so far? Is the amount provided for depreciation funded separately?

26. How has the depreciation fund been used from time to time? How is it invested?

27. What is the depreciation allowed by the Income-tax authorities in the last four years 1950, 1951, 1952 and 1953?

(Separate figures of depreciation for normal, additional normal, initial and multi-shift allowances should be given).

28. (a) Do the value of fixed assets shown in your books represent actual costs?
- (b) Was any revaluation made of any of your assets in the past ? If so, give particulars of the revaluation.
29. (a) Have you adequate facilities for the manufacture of the tea grown by you ?
- (b) Do your factory buildings and machinery require extension, improvement or renewal ? If so, have you any schemes for it?
- (c) Please indicate any special difficulties you may have in the matter of maintaining or improving your manufacturing facilities.
30. If you do not have necessary facilities for the manufacture of the tea grown in your garden, please indicate what arrangements you make for the manufacture of your tea ?
31. Please state the number and average price of tea chests you used in each of the years 1948 and 1953, and the source of supply—Indian or Foreign.
32. (a) What arrangements do you have for getting your regular supply of tea chests ?
- (b) Please mention any special difficulties you are experiencing in the matter of getting tea chests of satisfactory quality and your suggestions for removing the difficulties.
33. (a) Please indicate the means of transport you use for the transport of your produce to the place of sale and the rates of transport charges per 100 lbs. for each of the last four years 1950 to 1953.
- (b) Please indicate any special difficulties you are experiencing in the matter of transport and your suggestions for overcoming them.

C—Methods of Financing Tea Gardens

34. (a) What are your present needs of funds for the improvement or renovation of the permanent assets of your Tea gardens, such as land including planting, buildings, machinery and plant, installation and equipment and other assets to maintain and continue the working of the gardens on sound lines ? Indicate purposes for which the funds are required.
- (b) Please give an estimate of your requirements with reference to any plans and proposals you may have.
- (c) If the expenditure is to be spread over a number of years, please indicate the proposed rate of expenditure each year for the next 5 years.
35. (a) What is your estimate of your normal requirements of working capital for the production and marketing of your crop every year ?
- (b) What was the expenditure under this head during each of the last three years and what is the estimated expenditure for the next year ?

[NOTE.—Increase of expenditure attributable to the implementation of the Plantation Labour Act, 1951 (LXIX of 1951) may please be shown separately to the extent possible.]

36. (a) What are the sources from which you ordinarily obtain funds for
 (i) capital expenditure (for effecting additions and improvements to your permanent assets), and
 (ii) normal working expenses.

(b) Are they

- (i) your own resources like reserves,
- (ii) loans or advances from Managing Agents,
- (iii) loans or advances from Commercial Banks, Indian and non-Indian,
- (iv) advances from Tea Brokers,
- (v) advances from other agencies.

- (c) Please indicate the amounts applied for and received under these heads during the last three years to show their relative importance.

37. Please indicate

- (a) the procedure usually followed by you to get the finance you need,
- (b) nature of the securities usually required by banks and others for different kinds of loans,
- (c) nature of the difficulties, if any, experienced in getting funds as and when required.

38. Please state the rates of interest and any other charges you have to pay for these loans. Have you any special difficulties or complaints in this respect?

39. What are your suggestions for improving and developing sources of finance for the Tea Industry?

D—Marketing of Tea

40. (a) Please indicate briefly the usual procedure adopted by you in marketing your produce. Do you usually sell your produce through

- (i) the London Auctions,
- (ii) the Calcutta Auctions (in the case of South-Indian estates, through the Cochin Auctions),
- (iii) direct to buyers in India or abroad, or
- (iv) in any other manner.

(b) Please furnish information regarding your total production of tea during 1951, 1952 and 1953, and the quantities sold grade-wise under each of the heads mentioned above.

41. If you have any special reasons to prefer any particular market, please indicate the reasons.

42. (a) Do you to any extent blend and pack your own tea ready for sale to the consumer?

(b) Please give quantities so disposed of during the years 1951 to 1953.

43. (a) Are you aware of any kind of speculative activity connected with the marketing of tea ?
 (b) If so, what are its effects ?
 (c) What remedies do you suggest ?
44. Please indicate any special difficulties you have in the matter of marketing your produce and your suggestions for improvements.
45. Please furnish particulars of
 (a) warehousing and other facilities available at Calcutta and Cochin,
 (b) adequacy or otherwise of the facilities available and suggestions for improvements.
46. What is your view regarding the suggestion that warehousing and other facilities should be developed at Calcutta and Cochin so that the major part of the Indian produce could be sold in auctions in India ? Does the fact that a large part of the Indian produce is now being shipped direct to the U.K. instead of being auctioned in India, affect the Indian Tea Trade and Industry in any adverse manner and if so, in what manner ?
47. Please state the nature of the services rendered by the Warehouse authorities and the charges made for the services.
48. Are the charges reasonable in your opinion and do the services require improvement ?
49. Please state the nature of the services rendered by the Tea Brokers and particulars of the charges made by them for the services.
50. What in your opinion are the important factors which determine prices at the Auctions ?
51. Are you satisfied with the working of the Auctions at Calcutta and Cochin ? Have you any complaints or suggestions for improvements ?
52. Are you satisfied with the existing system of Export Quotas ? If not, what changes or improvements are necessary in your opinion ?

E—Miscellaneous

53. Besides income from Tea, do you derive any other income from your estate ? If so, please give details. How are they shown in your accounts ?

PROFORMA 'A'

[To be filled up by companies (public as well as private) engaged in producing tea—see question A (1) of Questionnaire I]

1. Name and address of the Company.
2. If a Company, whether it is a Private Limited or Public Limited Company, and whether incorporated in India with Rupee Capital or outside India with Sterling or other foreign Capital.
3. If your affairs are managed by Managing Agents or Secretaries, please indicate the name and address of the Managing Agents or Secretaries.

4. Name, location and registered** acreage of the Tea Gardens in India owned by or under lease of the Company. (If the Company also owns Tea estates outside India, the location and area under tea of these estates may please be furnished separately).

@5. A. Capital

Authorised Capital

Paid-up Capital

- (i) at the time of formation of the Company,
- (ii) on 30th June, 1939,
- (iii) on 30th June, 1954.

If any bonus shares were issued since 1939. Please give particulars.

- NOTE. — (a) If your Company has, besides tea planting industry, other industries also, and if your capital cost includes the capital invested on the other industries, only that portion of the authorised and paid up capital which relates to tea industry should be given.
- (b) In the case of Companies having business interests both in India and outside information may please be furnished in 2 columns, one for the Company as a whole and the other showing the portion of the capital attributable to the Indian tea estates of the Company.
- (c) The total amounts of the different types of shares like Ordinary Shares, Preference Shares etc. should be shown separately.

*B. Value and kind of debenture outstanding on 30-6-54 may be furnished.

@6. Total face value of shares and debentures separately held by

(i) Managing Agents or Secretaries	.	30-6-39	30-6-54
(ii) Institutional investors (e.g. Insurance Companies, Investment Trusts, Banks etc.)	.	..	..
(iii) Others	.	..	..

NOTE.—Under (iii) information about the number and value of shares and value of the debentures held by Indians and non-Indians should be shown separately. In the case of Sterling Companies having business interest both in India and outside information may please be given in two columns, one for the company as a whole and the other showing the share values attributable to the Indian estates of the Company.

7. The total amount and amount per cultivated acre of reserves held by the Company on

- (i) 30th June, 1939.
- (ii) „ „ 1946.
- (iii) „ „ 1951.
- (iv) „ „ 1952.
- (v) „ „ 1953.
- (vi) „ „ 1954.

** By Registered acreage is meant the acreage registered by the estate with the Tea Board

@ In furnishing particulars of the share structure and debentures of the Company, those issues on which dividends are tax-free should be separately indicated.

* The rates of interest carried by the debentures should be given. If the debentures are in Sterling they should be so indicated.

- NOTE.— (a) In the case of Companies which have other industries besides the Tea industry, if the reserves are for industrial operation as a whole, the amounts attributable to the Tea industry alone should be given under the above headings. Similar Companies having estates outside India should please indicate the amount of reserves available for their Indian Tea estates.
- (b) The nature of the reserves whether general or specific, and if the latter, the amounts under specified heads should be mentioned.
- (c) If the Company has any well-defined policy in the creation, making additions to and utilisation of reserves, it may be indicated.

8. The dividends paid on the different kinds of shares for the years and under the heads shown below :—

Year	Percentage paid on face value of shares	Percentage paid on mean market value of shares	Dividend yield per acre.
1939	.	.	.
1946	.	.	.
1951	.	.	.
1952	.	.	.
1953	.	.	.
1954	.	.	.

9. The number of Indian and non-Indian Directors on the Board of your Company as on 30th June, 1954.

10. If your affairs are managed by Managing Agents or Secretaries, has there been any change of Managing Agency since 1939 ? If so, please give particulars.

11. Any other information regarding capital investment in your estate and returns on capital which you may like to mention.

PROFORMA 'B'

[To be filled up by individuals and concerns other than Companies producing Tea—See Question A 1 of Questionnaire I]

1. Name of the concern or individual owning Tea gardens. In the case of partnership concerns, give the names of the partners.

2. Nationality of the owners. (If the owners belong to different nationalities, please give particulars).

3. (a) Name, location and registered** acreage of the Tea gardens.

(b) Whether the owners reside in the garden and manage it. If not, state the agency employed for management ?

NOTE.—**By registered acreage is meant, the acreage registered by the Estate with the Board.

4. Value of capital invested by the owners in the 'Tea gardens. (If accurate figures are not available, an estimate of the investment in fixed assets like land, buildings, plant and machinery should be given).

5. Whether any money was raised by loans from banks or other sources for the acquisition of the garden ? If so, please indicate the original amount of the loan, the rate of interest and the amount still outstanding.

6. If there has been change of ownership of the estate within the last 15 years, the nationality of the previous owners, date of transfer of ownership and terms and conditions of transfer may be indicated.

7. The net profits after providing for depreciation and taxation earned from Tea gardens in

1939

1946

1950

1951

1952

1953

PROFORMA 'C'

Statement showing expenditure incurred in the Production of Tea during 1950-1953.

[To be filled up by each garden or its Management—See Question No. B 6 of Questionnaire I]

Name of estate.....

Year or years of establishment of the estate

Mean elevation of the estate

Name of owners

								1950	1951	1952	1953
Total acreage of estate	.	.	.	.	.	.	.	..	..	..	..

Acreage under Tea	.	.	.	.	.	{	Bearing	.	..	..	..	..
							Non-bearing	.	..	..	..	..

Acreage suitable for Tea cultivation but not yet planted

Crop in lbs. for the year

Average crop in lbs. during the last six years ending with current year.

	1950	1951	1952	1953	1950	1951	1952	1953
	(In Rupees)				(In Rupees)			
A—Cultivation								
I. General field works				
II. Filling in vacancies including cost of nursery				
III. Manuring :								
Cost of Chemical manures				
Labour for application				
Cost of organic manure and application
IV. Spraying and dusting :								
Cost of Spraying and dusting materials				
Cost of spraying equipment and accessories				
Cost of application				
V. Other pest control measures :				
Cost of materials				
Cost of equipment and accessories, if any				
Cost of application including labour				
TOTAL				
B—Charges for Gathering Crop								
VI. Plucking				
VII. Other crop gathering charges including transport of tea to factory				
TOTAL				
C—Manufacture								
VIII. Salaries and wages :								
Salaries of factory staff								
(Tea house establishment) Wages of factory Labour				
IX. Coal and other fuel, power and lighting				
X. Maintenance of factory buildings, plant and machinery including cleaning the tea houses				
XI. General stores and local purchases				
XII. Other charges				
TOTAL				

D—General Charges

E—Packing

XIX.	Cost of tea chests and other containers.	..	..	..	..
XX.	Other materials .	..	..	..	..
XXI.	Labour for packing	..	..	..	..
		<hr/>			
	Total .	..	..	..	..

F—Selling Expenses

XXII.	Freight and transport charges to Sale centres in India or port of shipping . . . .	..	..	..	..
XXIII.	Stock and transit insurance	..	..	..	..
XXIV.	Other forwarding and selling expenses (Sale charges, brokers' commission etc.) . . .	..	..	..	..
XXV.	Export quota charges .	..	..	..	..
TOTAL		..	..	..	..

G—Duties and Cess

XXVI.	Excise duty . . . . .	..	..	..	..
	Tea Cess . . . . .	..	..	..	..
	Export duty . . . . .	..	..	..	..
TOTAL		..	..	..	..

H—Other Expenses

XXVII.	Interest paid on loan or debentures or to Financing Houses	..	..	..	..
XXVIII.	Income-tax or other taxes on income . . .	..	..	..	..
TOTAL		..	..	..	..

I—Capital Expenditure

XXIX.	Cost of planting on virgin jungle :				
	I year . . . . .	..	..	..	..
	II „ . . . . .	..	..	..	..
	III „ . . . . .	..	..	..	..
	IV „ . . . . .	..	..	..	..
	and so on up to bearing.	..	..	..	..
	Cost of re-planting reclaimed land :				
	I year . . . . .	..	..	..	..
	II „ . . . . .	..	..	..	..
	III „ . . . . .	..	..	..	..
	IV „ . . . . .	..	..	..	..
	and so on up to bearing.	..	..	..	..

Cost of replanting existing old cultivation :

I year

II „

III „

IV „

and so on upto bearing

Other capital expenditure :

Building

Machinery

Other items

TOTAL

INSTRUCTIONS FOR FILLING UP THE PROFORMA 'C' REGARDING COST OF PRODUCTION OF TEA.

The required information should be furnished for the 4 years 1950, 1951, 1952 and 1953 separately against each item as shown in Proforma.

The costs should be shown under the broad groups A, B, C, D, E and F. The expenditure should further be sub-divided as far as possible under the different sub-heads shown under each group. The cost of labour wherever shown should include both basic wages and dearness allowances.

Groups G & H do not relate to cost of production and no part of any expenses covered by these groups should be included in the cost under any of the groups referred to in the previous paragraph.

If any expenses incurred in an estate cannot properly be grouped under any of the items, such expenses may be shown separately but properly described.

In an estate growing other crops like coffee or rubber in addition to tea, expenses common to the different crops should be allocated to each group on some reasonable basis. Examples of such expenditure are salaries and wages, other expenses, general upkeep, etc.

The following short notes will indicate the nature of the expenses that should be included in each of the items in the Proforma.

A—Cultivation

I. General Field Works : All expenses on account of pruning, hoeing, forking, weeding, trenching, repairing wire fences, making shade tree nurseries, uprooting old and dead bushes and shadowing will be included here. The cost will comprise mostly labour charges.

II. Filling-in vacancies including cost of nursery : All expenses on account of cost of tea seeds for in-filling, nurseries for in-filling, and filling-in vacancies will be included here. Expenses in respect of large-scale supplying, replanting and new extensions should not be included here but under Replanting or New Extensions, as the case may be.

III, IV and V. Manuring, spraying and dusting and other pest control measures : The cost of materials and the cost of labour incurred in applying it to the estate should be separately shown. The cost shown should represent the cost of materials actually applied to the estate in the respective years.

B—Charges for Gathering Crop

VI and VII. Plucking and other crop-gathering charges including transport of Tea to factory : This will include wages paid for plucking and miscellaneous expenses incidental thereto, such as cost of baskets, etc.

C—Manufacture

VIII. Salaries and Wages : Manufacturing wages and dearness allowance will be shown here.

IX. Coal and other fuel, power and lighting : The cost of coal and other fuel will be shown here.

X. Maintenance of factory buildings, plant and machinery including cleaning the Tea houses : The cost of cleaning tea house will also be shown under this heading.

XI. General stores and local purchases : The cost of sundry items of stores required will be grouped under this head.

XII. Other charges : The expenditure on upkeep of motor lorries and other conveyances will be shown here.

D—General Charges

XIII. Up-keep of buildings, roads, bridges and other assets excluding factory and its machinery : All expenditure on ordinary repairs and maintenance of various assets owned by the estate should be included here. The expenditure on repairs and running of the factory should be shown under 'Manufacturing'. Expenditure of a capital nature should not be included here but shown later under Capital Expenditure.

XIV. Recruiting expenses and Medical and Labour Benefits : This will include subscription to T.D.L.A., Recruiter's pay, commission and fares, cost of new labourers, local recruiting expenses, repatriation expenses, settling allowances, cost of hospital facilities, labour welfare expenses, maternity benefits and holiday pay. The cost of supplying cheap foodgrains or other similar concessions should not be included here but treated as part of D.A. and included under labour cost wherever shown.

XV. Bonus to staff : Under this will come amounts paid to Managerial staff, Directors, Agency allowance and commission paid to other managerial staff, but bonus paid to Labour will be shown under item XVI.

XVI. Bonus to Labour : Under this will be shown bonus paid to Labour.

XVII. Salaries and allowances to staff : Under Estates staff will be included the salaries, allowances and provident fund contributions in respect of Superintendent, Manager, Engineer, Assistant Manager, Head Clerk, other clerks, Writers and Storekeepers, Jamadar, Sardar (excluding tea house) Bungalow chowkidars, Dak runners, Sweepers, Gardeners, staff servants.

XVIII. General and other office expenses : Under this head will be shown expenses on account of land rent, municipal tax and other similar taxes, office expenses like postage, stationery, etc.

E—Packing

XIX to XXI. Cost of Tea chests and other containers and labour for packing : Under these heads, which are self-explanatory, will be recorded the cost of packing.

F—Selling Expenses

XXII to XXV. Freight and transport charges, stock and transit insurance, other forwarding and selling expenses and export quota charges: This group covers all expenses incurred in transporting the crop to the market, storage and other handling charges, commission paid to the Selling Agents, the cost of selling organisations, if any, etc. The expenses should be further sub-divided and shown against each of the relevant items under the group.

G—Duties and Cess

XXVI. Under this head will be included expenditure on account of the duties on tea despatched from the garden.

H—Other Expenses

XXVII. Interest on loans and debentures : Any interest paid on long-term loans or debentures advanced by Agency Houses should be shown here.

XXVIII. Income-tax etc. : This should include all taxes on incomes, such as income-tax, super tax, corporation tax, agricultural income-tax, etc.

I—Capital Expenditure

XXIX. Capital expenditure should not be included in the costs under any of the groups A to F but shown here. In the case of replanting or new clearings the expenditure of a year should be shown here against the relevant column according as the expenditure relates to I year, II year and so on. The number of acres to which the expenditure relates and the total expenditure in the year should be shown.

In the case of other capital expenditure, the actual expenditure incurred under each head like Buildings, Labour Lines, Plant and Machinery, etc., should be shown separately. A reasonable share of general expenses of the estates should be included under the various capital items wherever the work has been done by the estate under its own supervision.

No. 12(5)-PIC/54.

GOVERNMENT OF INDIA
PLANTATION INQUIRY COMMISSION

Telegrams: "PLANTATION" New Delhi.

To

All Companies.

Block No. 9, Room No. 343,
Shahjehan Road Hutments,
New Delhi, the September, 1954.

SUBJECT.—*Plantation Inquiry Commission—Questionnaire I—TEA.*

Sir,

With reference to this Commission's circular letter No. 12(5)-PIC/54, dated the 24th August, 1954, on the above subject, addenda to Proformas 'A' and 'C' of Questionnaire I is enclosed.

Yours faithfully,
(T.S. SESHUKUTTY).
Secretary.

ADDENDA
Questionnaire I
Tea

PROFORMA—'A'

1. At page 1 of Proforma 'A' under Serial No. 5, insert the following above the Note (a):

If the Company took over the assets of previously existing concerns, the names of the concerns, particulars of the assets taken over and the terms on which they were taken over should be mentioned.

PROFORMA—'C'

1. At page 2 below item XIII under group D—General Charges, insert following as item XIII-A :—

“†XIII—A. Depreciation”.

2. At page 3 of Proforma 'C', insert the following above the group, 'G—Duties and Cess':—

	1950	1951	1952	1953
*Total cost of production
**Cost per acre
@Cost per lb.

Explanatory Note :

†The depreciation provided by the estate should be mentioned here. If the rates adopted by the estate are different from income-tax rates, the rates actually adopted should be mentioned.

*Total cost of production will be the figure obtained by adding the figures under groups A, B, C, D, E & F.

**Cost per acre will be the figure obtained by dividing the total cost of production for a year by the acreage under Tea (bearing and non-bearing) of the estate in that year.

@The cost per lb. is the figure obtained by dividing total cost of production by the total weight of Tea in lbs. produced in that year.

Questionnaire II

(To be answered by Blenders, Packers and other wholesale dealers in Tea)

1. Please furnish replies to the Proforma 'D' and supply copies of your Balance Sheet and Profit and Loss Account for each of the years 1950, 1951, 1952 and 1953.

2. Please give figures for each of the years 1951, 1952 and 1953 of quantities of Tea bought by you for blending and packing for distribution.

(If any portion of the Tea blended and packed for distribution was the produce of your own gardens, that may be separately indicated).

3. (a) What are the factors that enter into the cost of blending, packeting and marketing the packages sold by you ?

(b) Please give details of costs incurred by you during each of the years 1951, 1952 and 1953.

(Information will be treated as confidential if so desired).

4. Please furnish the highest and lowest prices per lb. of the different brands sold by you during each of the years 1951, 1952 and 1953.

5. What is the mechanism of distribution of different brands of Tea blended and packaged by you ? Are you considering any further improvements in this connection ?

6. Do you export Tea blended and packaged by you to other countries? If so, please furnish particulars.

7. Is the blending, packaging and distribution industry suffering from any handicaps ? If so, what remedies or improvements do you suggest?

8. Please indicate the quantities of Tea sold loose or unpackaged in India during each of the years 1951, 1952 and 1953.

9. What is the mechanism of distribution of loose Tea for retail sales? Is any blending done in the case of loose Teas ?

10. (a) To what extent is adulteration of Tea known or suspected to be prevalent? Please furnish any information you may have regarding this.

(b) What steps would you suggest to prevent or minimise this evil ?

PROFORMA D

[To be filled up by Blenders, Packers, Brokers and other wholesale Dealers in Tea. See question I of Questionnaire II].

(1) Name and address of Company or Concern.

(2) Whether incorporated in India with Rupee Capital or outside India with Sterling or other Capital.

(3) If the Company is administrated by Managing Agents or Secretaries, indicate the name and address of the Managing Agents or Secretaries.

(4) Places where the Company's works and/or offices are situated.

(5) (a) Authorised Capital
and
(b) Paid-up Capital } on 30-6-1954.

[NOTE.—The total amounts of different shares like Ordinary, Preference etc., should be shown separately.]

(6) Total face value of shares held as on 30-6-1954 by

(i) Managing Agents;

(ii) Industrial Investors (like Insurance Companies, Investment Trusts, Banks etc.).

(iii) Others.

[NOTE.—Information about the number and value of shares held by Indian and non-Indian should be shown separately in each case.]

(7) The number of Indian and non-Indian Directors on the Board of your Company on 30-6-1954.

[In the case of Partnership Concerns, the number of Partners (Indian and non-Indian separately) may be furnished. In the case of Proprietary Concerns, the nationality of the proprietor may be given.]

(8) The following particulars regarding the Managerial and Technical staff (Covenanted) employed by the Company :

(i) Number and designation or persons employed; and

(ii) Rates of pay and other allowances and concessions.

[NOTE.—(a) Particulars for Indian and non-Indian personnel should be shown separately.

(b) Information regarding purely clerical staff and junior staff, peons, durwans etc., is not required.]

(9) Have you any scheme for training Indian apprentices in your Company for covenanted posts? If so please give particulars.

Questionnaire III

Tea

[To be answered by the Tea Board, Governments of Tea-growing States, Tea Producers' and Traders' Associations]

A—Future expansion of production :

(1) Has the extension of cultivation of Tea permissible under the International Tea Agreement been fully utilised in India? If not, what in your opinion are the reasons why extension has not taken place to the full limit permitted?

(2) In your view what are the possibilities of making small uneconomic Tea gardens into economic units by voluntary amalgamation or other means?

(3) What is your estimate of the trend of future world demand for Tea?

(4) In your opinion, should the production of Tea in India continue to be regulated under the International Tea Regulation Scheme? Does the Scheme itself require any modification?

- (5) In your view, what are the lines on which the Tea Industry in India could be further strengthened and developed ?

B—Miscellaneous :

- (9) What in your opinion were the main reasons which led to the crisis in the Tea Industry in 1952 ?
- (7) What in your view is the minimum area of a Tea garden for economic working if (i) it is managed by a Company and (ii) if it is a proprietary or partnership concern ? Please give reasons in support of your view.
- (8) Is there any scope for the greater use of machinery in the cultivation and plucking of Tea in India ? Please give details of any investigation that has been done in this matter. What will be the effect of such mechanisation of Tea cultivation and Plucking on the employment of Labour ?
- (9) Please furnish with necessary details an estimate of the increase in production costs that is likely to result from the implementation of the Plantation labour Act.

No. 12(5)-PIC/54.

GOVERNMENT OF INDIA

PLANTATION INQUIRY COMMISSION

Telegrams: "PLANTATION" New Delhi

Block No. 9, Room No. 343,
Shahjehan Road Hutments,
New Delhi, the August 1954

To
All Companies

SUBJECT.—*Plantation Inquiry Commission*—Questionnaire I—TEA

Sir,

I am directed to invite your attention to the Notification No. S.R.O. 1261, dated the 17th April, 1954, issued by the Government of India in the Ministry of Commerce and Industry, which contains the terms of reference and the composition of the Plantation Inquiry Commission. The Commission have prepared a Questionnaire I for the Tea industry to be answered by Managing Agents, Companies (Public Limited and Private Limited), proprietary concerns and individuals owning or having under their management Tea estates. A copy of the Notification and of the Questionnaire I referred to are enclosed with the request that your answers may be furnished not later than the 1st November, 1954. It will facilitate the Commission's work if the reply to each question is given in separate sheets typed on one side only. Seven spare copies of the replies may also kindly be furnished.

2. If there are under your management more than one Tea Company and where the answer to any particular question can be conveniently given so as to cover all your Companies it is enough if you send one reply covering all your Companies indicating that the answer applies to all of them. But answers to those questions which will necessarily vary from Company to Company and the particulars to be furnished for proformas 'A' or 'B' as the case may be, should be given for each Company separately. Answers to proforma 'C' should be furnished for each estate, but if a Company has a group of estates in the same locality, the particulars for proforma 'C' may be furnished for the group of estates as a whole if that is more convenient. In such cases, an indication to that effect may be given in the proforma. It

is requested that special care may be taken in giving all the particulars called for in proforma 'C' and in the details indicated therein. The instructions for filling-up proforma 'C' attached to the form will, it is hoped, assist you in furnishing the several items of expenditure under the appropriate heads. Wherever statistical data have been called for, it is requested that they may be furnished fully. If you desire that the replies you furnish to any of the questions are to be treated as confidential, or that they should not be quoted, they may be so indicated in your replies. If there are any points pertaining to the Tea Industry not covered by the questionnaire on which you have information and would like to offer your comments, you are welcome to do so in separate notes.

3. The term "year" used in the Questionnaire as well as in the proforma refers to the calendar year. In the case of some Companies, their accounts may not be maintained calendar-year-wise. For such Companies, the following procedure may be adopted in answering the Questionnaire :

If the accounting year ends on or before the 30th June, the year's figures may be incorporated in the statement of the preceding calendar year. If the accounts are closed in the year subsequent to 30th June, the figures may be taken as referring to that calendar year, *i.e.*, for a Company whose accounts are closed on the 31st May 1951, the figures from the accounts for that year will be shown in the return for 1950, and for a Company whose accounts are closed on 31st July, 1951, the accounts for the year will be shown in the return for 1951. Likewise, wherever data have been asked for as on the 30th June, if information as on 30th June is not available, that relating to a date nearest to the 30th June which is available may be given.

4. Questionnaire I is intended for the special attention of Managing agents, Companies (Public as well as Private, proprietary concerns, and individuals owning or having under their management Tea estates but others who may be in a position to furnish replies can very well do so. Copies of the Questionnaire and of the Notification can be had from the office of the Secretary of the Commission at Room No. 343, Block No. 9, Shahjehan Road Hutments, New Delhi.

Yours faithfully,

(T. S. SESHUKUTTY).

Secretary.

No. 12(5)-PIC/54/A

GOVERNMENT OF INDIA

PLANTATION INQUIRY COMMISSION

Telegram : "Plantation",
New Delhi.

Block No. 9, Room No. 343,
Shahjehan Road Hutments,
New Delhi, the August 1954.

To

Tea Traders.

SUBJECT.—*Plantation Inquiry Commission*—Questionnaires I, II and III—TEA.

Sir,

I am directed to invite your attention to the Notification No. S.R.O. 1261, dated the 17th April, 1954, issued by the Government of India in the Ministry of Commerce and Industry, which contains the terms of reference and the composition of the Plantation Inquiry Commission. The Commission have prepared 3 Questionnaires,—Questionnaires I, II and III—for the Tea

Industry. Five copies of the Questionnaires and of the letters with which Questionnaires I and II have been forwarded to the Tea Companies and others concerned are enclosed.

2. Your replies to questions 41, 43 to 52 of Questionnaire I, questions 5 to 10 of Questionnaire II and questions 3 to 6 of Questionnaire III are requested. The replies may be sent by the 1st November, 1954, with seven spare copies, the reply to each question being typed in separate sheets on one side only.

3. If you have any observations to make on the other questions of the Questionnaires and on any point concerning the Tea Trade and Industry not covered by any of the Questionnaires, you may do so in separate notes or memoranda. If you desire that any information which you may furnish is to be treated as 'Confidential', or should not be quoted, it may be so indicated in your reply.

4. Additional copies of the Questionnaires can be had from the Office of the Secretary of the Commission at Block No. 9, Room No 343, Shahjehan Road Hutments, New Delhi.

Yours faithfully,

(T. S. SESHUKUTTY)

Secretary.

No. 12(5)-PIC/54/B.

GOVERNMENT OF INDIA

PLANTATION INQUIRY COMMISSION

Telegram : "Plantation",
New Delhi.

Block No. 9, Room No. 343,
Shahjehan Road Hutments,
New Delhi, the 24th August, 1954-

To

- (a) Chamber of Commerce.
- (b) The Indian National Trade Union Congress,
The Hind Mazdoor Sabha,
The All India Trade Union Congress,
The United Trade Union Congress.

SUBJECT—*Plantation Inquiry Commission—Questionnaires—I, II and III—TEA.*

Sir,

I am directed to forward to you a copy of the Notification No. S.R.O. 1261, dated the 17th April, 1954, issued by the Government of India in the Ministry of Commerce and Industry, which contains the terms of reference and the composition of the Plantation Inquiry Commission and a copy each of Questionnaires I, II and III prepared by the Commission for the Tea Industry. Copies of these Questionnaires have been sent to Managing Agents, Tea Companies and other Tea garden proprietors, Tea Brokers, Blenders, Packers and Distributors, Organisations, of producers and others concerned, to furnish detailed replies to questions with which they are concerned.

2. If you desire to furnish replies to any of the questions of the Questionnaires, you please may do so. The replies may be made in separate sheets for each question typed on one side only. Seven spare copies of the replies,

if any offered, may also be furnished. If there are any other points concerning the Tea Trade and Industry covered by the Commission's terms of reference on which you would like to send your views, you may do so by means of separate notes or memoranda.

3. All replies may please be sent so as to reach this office by the 1st November, 1954.

Yours faithfully,
(T.S. SESHUKUTTY)
Secretary.

No. 12(5)-PIC/54/C.

GOVERNMENT OF INDIA

PLANTATION INQUIRY COMMISSION

Telegram : "Plantation",
New Delhi.

Block No. 9, Room No. 343,
Shahjehan Road,
New Delhi, the 24th August, 1954.

To

The Tea Producers Organisations.

SUBJECT:—*Plantation Inquiry Commission Questionnaires I, II and III —TEA*

Sir,

I am directed to invite your attention to the Notification No. S.R.O. 1261, dated the 17th April, 1954, issued by the Government of India, in the Ministry of Commerce and Industry, which contains the terms of reference and the composition of the Plantation Inquiry Commission. The Commission have prepared 3 Questionnaires—Questionnaires Nos. I, II and III—for the Tea Industry. Five copies of the Questionnaires and of the letters with which Questionnaires I and II have been forwarded to the Tea Companies and others are enclosed.

2. Questionnaire I is intended to be answered in particular by Managing Agents, Companies (Public Limited and Private Ltd.), proprietary concerns, and individuals owning or having under the management Tea estates. In the case of estates which are under Managing Agents and Companies, copies of Questionnaire I have been sent to the Managing Agents and Companies with the instructions that they may, if they so choose, furnish a consolidated reply for all the estates under them except statistical data and proformas 'A' and 'C' which have to be answered separately for each estate under their management. In the case of proprietary gardens and partnership concerns, copies of the Questionnaire have been forwarded only to those whose acreage under Tea is 100 and above. The number of gardens with acreage in Tea Planting below 100 being very large, the Commission propose to send Questionnaire only to a selected few of them so that from the replies received a good estimate could be made of relevant factors concerning the small holdings in the Industry. It is therefore requested that a list of a few representative estates owned by individuals and partnership concerns with acreage below 100 in your Associations' membership may be furnished, who in your estimate will readily furnish replies to the Questionnaires.

3. Questionnaire II has been forwarded to Blenders, Packers and other Wholesale Dealers. Copies of it have been forwarded to Brokers also separately.

4. Your replies are requested to Questionnaire III and also to Questions Nos. 9, 10, 11(a) and (c), and 32 to 52 of Questionnaire I, and question No. 10 of Questionnaire II. It is requested that the replies may be sent by the 1st November, 1954, with seven spare copies, each question's answer being in separate sheets typed on one side only.

5. If you have any observations to make on the other questions of the Questionnaires and on any point concerning the problems of the Tea industry not covered by any of the Questionnaires, you are welcome to do so in separate note or memoranda. If you desire that any information which you may furnish is to be treated as Confidential or should not be quoted, it may be so indicated in your reply.

6. Further additional copies of the Questionnaires can be had from the office of the Secretary of the Commission at Room No. 343, Block No. 9, Shahjehan Road Hutments, New Delhi.

Enc. As stated.

Yours faithfully,
(T. S. SESHUKUTTY)
Secretary.

No. 12(5)-PIC/54/D.

GOVERNMENT OF INDIA

PLANTATION INQUIRY COMMISSION

Telegram : "Plantation",
New Delhi.

Block No. 9, Room No. 343,
Shahjehan Road Hutments,
New Delhi, the August, 1954.

To

Tea Brokers.

SUBJECT:—*Plantation Inquiry Commission—Questionnaires I, II—TEA*

Sir,

I am directed to invite your attention to the Notification No. S.R.O. 1261, dated the 17th April, 1954, issued by the Government of India in the Ministry of Commerce and Industry, which contains the terms of reference and the composition of the Plantation Inquiry Commission. The Commission have prepared two Questionnaires for the Tea Industry—Questionnaire I to be answered in particular by Managing Agents, Companies (Public Limited and Private Limited), proprietary concerns and individuals owning or having under their management Tea estates, and Questionnaire II to be answered by Blenders, Packers and other Wholesale Dealers in Tea. A copy each of both the Questionnaires referred to and of the Notification are enclosed. Though Questionnaire I is intended to be answered in particular by Managing Agents, Companies (Public as well as Private), proprietary concerns and individuals owning or having under their management Tea estates, questions Nos. 43 to 52 require to be answered among others by brokers of Tea. Likewise, though Questionnaire II is intended to be answered in particular by Blenders, Packers and Wholesale Dealers, the proforma enclosed will require to be answered by Brokers also. You are accordingly requested to furnish answers to questions Nos. 43 to 52 of Questionnaire I and proforma D of Questionnaire II. Besides these, there are questions in Questionnaires I and II, as for instance questions Nos. 37 to 41 of Questionnaire I and 9 and 10 of Questionnaire II to which you may be able to furnish useful replies. Your answers to all these questions of the Questionnaires and to any other question to which you may like to give replies, should be furnished not later than the 1st November, 1954. It will facilitate the Commission's work if replies to each question is

given in separate sheets typed on one side only. Seven spare copies of the replies may also be furnished. If you have any observations to make on the other questions of the Questionnaires and on any point concerning the Tea Trade and Industry not covered by any of the Questionnaires, you may do so in separate notes or memoranda.

2. It is requested that special care may be given in furnishing all the particulars called for in proforma D and in the details indicated therein. The statistical data that have been called for should be furnished fully. If you desire that the replies you furnish to any of the questions are to be treated as 'Confidential', or that they should not be quoted, they may be so indicated in your replies.

3. The term "year" used in the Questionnaires as well as in the proforma refers to the calendar year. In the case of some Companies, their accounts may not be maintained calendar-year-wise. For such Companies, the following procedure may be adopted in answering the Questionnaires :—

If the accounting year ends on or before the 30th June, the year's figures may be incorporated in the statement of the preceding calendar year. If the accounts are closed in the year subsequent to 30th June, the figures may be taken as referring to that calendar year, *i.e.* for a Company whose accounts are closed on 31st May 1951, the figures from the accounts for that year will be shown in the return for 1950, and for a Company whose accounts are closed on 31st July 1951, the accounts for the year will be shown in the return for 1951. In all such cases the actual accounting year adopted by you may please be mentioned. Likewise, wherever data has been called for as on 30th June, if information as on 30th June is not available, that relating to a date nearest to the 30th June which is available may be given.

4. Additional copies of the Questionnaires and of the Notification can be had from the Office of the Secretary of the Commission at Block No. 9, Room No. 343, Shahjehan Road Hutments, New Delhi.

Yours faithfully,
(T.S. SESHUKUTY)
Secretary.

No. 12(5)-PIC/54/D.

GOVERNMENT OF INDIA

PLANTATION INQUIRY COMMISSION

Telegrams: "Plantation",
New Delhi.

BLOCK No. 9, ROOM No. 343,
SHAHJEHAN ROAD HUTMENTS,
New Delhi, the 11th September, 1954.

To
Tea Brokers.

SUBJECT.—*Plantation Inquiry Commission—Questionnaires I and II—TEA.*

Dear Sirs,

In continuation of this office letter No. 12(5)-PIC/54/D, dated the 24th August, 1954, I am directed to say that along with your reply to Proforma 'D' of Questionnaire II, you should also furnish copies of your Balance Sheet and Profit and Loss account for the years, 1950, 1951, 1952 and 1953—*vide* question 1 of Questionnaire II.

In regard to Proforma 'D', the information which the Commission is interested in having is about the relevant particulars in regard to the Tea Broking side of your organisation. If your Tea Broking business is not run as an independent concern and the Balance Sheet and Profit and Loss account of the Tea Broking part of your organisation is not published separately, it is requested that the information required in respect of question 1 of Questionnaire II and Proforma 'D' may be furnished for your organisation as a whole and information regarding the capital invested and the Profit or Loss of your Tea Broking establishment may be indicated separately.

Yours faithfully,
(T. S. SESHUKUTTY)
Secretary.

No. 12(5)-PIC/54/E.
GOVERNMENT OF INDIA

PLANTATION INQUIRY COMMISSION

Telegrams:

"Plantation", New Delhi.

BLOCK No. 9, ROOM No. 343,
SHAHJEHAN ROAD HUTMENTS,
New Delhi, the August, 1954.

To

State Governments.

SUBJECT.—*Plantation Inquiry Commission—Questionnaires I, II and III*
—TEA.

Sir,

I am directed to invite your attention to the Notification No. S.R.O. 1261, dated the 17th April, 1954, issued by the Government of India in the Ministry of Commerce and Industry, which contains the terms of reference and the composition of the Plantation Inquiry Commission. The Commission have prepared three Questionnaires—Questionnaire I to be answered in particular by Managing Agents, Companies (Public Limited and Private Limited), proprietary concerns and individuals owning or having under their management Tea estates, Questionnaire II to be answered by Blenders, Packers, Tea Brokers and other Wholesale Dealers and Questionnaire III to be answered by the Tea Board and Tea Producers' and Traders' Associations. Copies of the Notification and of the Questionnaires referred to are enclosed.

2. It will help the Commission if information on some of the questions which are of a general nature are furnished also by the State Government concerned. It is therefore requested that your Government's replies to questions 14, 20 and 39 of Questionnaire I, question 10 of Questionnaire II and questions 2 to 5 of Questionnaire III may be furnished to the Commission as early as possible with seven spare copies typed on one side only. If your Government have any observations to make with reference to other questions in the different Questionnaires, such observations will be most welcome. If there are any aspects of the industry covered by the terms of reference of the Commission but not included in the Questionnaires and on which your Government may have materials to furnish or observations to make, they may kindly do so. If any part of the replies furnished is desired to be treated as 'Confidential', an indication to that effect may be furnished in the replies.

3. After the Questionnaires have issued, the Commission will have a tour of the plantation areas when, they hope, it would be possible for them to meet the Representatives of your State Government and ascertain their views on various aspects of the Industry.

Yours faithfully,
(T. S. SESHUKUTTY).
Secretary.

No. 12(5)-PIC/54/F.

GOVERNMENT OF INDIA

PLANTATION INQUIRY COMMISSION

Telegram : "Plantation",
New Delhi.

BLOCK No. 9, ROOM No. 343,
SHAHJEHAN ROAD,
New Delhi, the 24th August, 1954.

To

The Secretary,
Tea Board,
27-29, Brabourne Road,
Calcutta.

SUBJECT.—*Plantation Inquiry Commission—Questionnaires I, II and III*
—TEA.

Sir,

I am directed to forward to you a copy of the Notification No. S.R.O. 1261, dated the 17th April, 1954, issued by the Government of India in the Ministry of Commerce and Industry which contains the terms of reference and the composition of the Plantation Inquiry Commission, and a copy each of Questionnaires I, II and III prepared by the Commission on the Tea Industry. Copies of Questionnaire I have been forwarded to Managing Agents, Companies (Public Limited and Private Limited), proprietary concerns and individuals who own or have under their management Tea Estates, Tea growers' Associations, State Governments and a few others for furnishing replies. Copies of Questionnaire II have likewise been forwarded to Blenders, Brokers, Packers, Wholesale Dealers, and State Governments with the request that they may furnish replies to the questions with which they are concerned. Questionnaires I and II also contain questions on which answers could be furnished by the Tea Board. They are question Nos. 11(a) and (c), 39 and 43 to 52 of Questionnaire I and question Nos. 7 to 10 of Questionnaire II. Besides these, there are also other questions like question Nos. 31, 32, 33(b) and 35 to 38 of Questionnaire I on which answers from you covering the Industry as a whole, would be of much value to the Commission. You are accordingly requested to furnish answers to these questions and also to the questions in Questionnaire III. Any materials or comments which you may be able to furnish in regard to any of the other questions in the Questionnaire will also be welcome to the Commission. There may be certain aspects of the Industry which are not covered by any questions of the Questionnaire. On them also any observations which you may like to make may be furnished along with your replies in the form of separate notes or memoranda, before the 1st November 1954. It is requested that the answers and materials that are furnished for each question separately may be typed on one side only. Seven spare copies may also be kindly furnished.

2. The Commission desire to have a detailed memoranda from you of the activities of the 'Propaganda Wing' of the Tea Board, with full information regarding steps taken by the Tea Board for the promotion of Tea consumption in India. An estimate of the amount of Tea consumed in India in each of the last five years may also kindly be furnished. Information may also kindly be furnished regarding the steps taken by the Board for the promotion of Tea consumption in foreign countries, including particulars of the agreements entered into with foreign organisations for Tea propaganda and the contributions made by India for the purpose.

3. Ten spare copies of the Questionnaires have been sent to you separately. Additional spare copies if any required can be had from the Office of the Secretary of the Commission at Block No. 9, Room No. 343, Shahjehan Road Hutments, New Delhi.

Yours faithfully,
(T. S. SESHUKUTTY)
Secretary.

APPENDIX III

PLANTATION INQUIRY COMMISSION

Questionnaire I—Coffee

[To be answered in particular by Managing Agents, Companies (Public Limited and Private Limited), Proprietary Concerns and Individuals owning or having under their management Coffee estates]

A—Capital and Management

1. Please furnish replies to the proforma 'A' or 'B' whichever is applicable to you and supply copies of your Balance Sheets and Profit and Loss Accounts for the years 1939, 1946, 1950, 1951, 1952 and 1953.

2. If your affairs are administered by Managing Agents or Secretaries, please state whether the Managing Agent or Secretary is a Company and if a Company whether it is public or private and whether it is incorporated in India or abroad.

3. If the Managing Agents are a Company, please indicate the proportion of its capital owned by Indians and non-Indians respectively and the number of Indian and non-Indian Directors on its Board.

4. The terms and conditions of appointment of the Managing Agents and the remuneration payable to them under different heads may be stated. Please state the actual amounts paid under the different heads in each of the years 1950 to 1953.

5. (a) If you are a Managing Agent, please

(i) give the names of Coffee companies and other concerns managed by you,

(ii) describe the 'group' services rendered by you to these concerns, as for example, in connection with technical, administrative, legal or financial matters.

(b) Do any of the concerns other than Coffee companies under your management render any service to your Coffee companies? If so, what are the services rendered by each such concern to your Coffee companies? Please state the amounts paid by your Coffee companies in the years 1953 to each such concern for such services.

B—Production Technique and Costs

6. Please furnish statement of cost for each estate in proforma 'C' for each of the years 1950, 1951, 1952, and 1953.

7. What percentage of standing Coffee plants in your estate were planted (i) before 1900 (ii) between 1900 and 1910 (iii) between 1910 and 1920 (iv) between 1920 and 1930 and (v) after 1930. For how many more years can the plants of the different age groups be expected to maintain reasonable productivity?

8. Please give

(a) the total area of your estate and the terms on which the land is held whether leasehold or freehold, and the rent or land revenue payable.

- (b) new areas in acres planted during the 10 years ending 1953 on (i) virgin jungle and (ii) reclaimed land.
- (c) areas in acres replanted during the same period.
- (d) planted area in acres abandoned during the period and the reasons therefor.
- (e) estimate of cost incurred by you in (i) new planting and (ii) replanting, one acre with Coffee and tending it for a period of 5 years. The information may be furnished giving details as shown below:—

YEAR OF PLANTING	COST PER ACRE INCLUDING COST OF TENDING FOR 5 YEARS NEW PLANTING		COST PER ACRE INCLUDING COST OF TENDING FOR 5 YEARS REPLANTING EXIS- TING OLD CUL- TIVATION
	On virgin jungle	On reclaimed land	
	Rs.	Rs.	Rs.
1944			
1948			

(NOTE.— If there were no new plantings or replantings in your estate in the years 1944 and 1948, figures for the years nearest to these two years in which there were new plantings and replantings may be given.)

9. What is your estimate of cost under present conditions of planting one acre with Coffee plant and tending it for a period of 5 years. The information may be furnished in the same details as shown under 8 (e) above.

(NOTE.— It is assumed that on the average a Coffee plant begins to yield in 5 years after planting.)

10. Have you any plans for increasing production by improved methods of cultivation like intensive manuring and replanting old areas with improved varieties and strains? If so, please give particulars of your plans for the next few years and increased yields expected per acre.

11. (a) What are the main items of stores required for a Coffee estate?
- (b) What procedure do you adopt in appointing your purchasing agents for the important items of stores? Are you, or any firm under your agency, your stores purchasing agent?
- (c) Are there any special difficulties in getting the stores in required quantities and of the required quality? If so, what solution do you suggest?
12. (a) What are the quantities and values of manure (organic and inorganic) used and the acreage manured in the estate in the years 1950, 1951, 1952 and 1953? (Figures should be given separately for each variety of manure used.)
- (b) In your opinion, have the quantities used been adequate?
- (c) Which manure in your opinion gives the best results and at what cost per acre per annum?
13. (a) Are spraying, dusting or other control measures done against pests or diseases or any other pest control measures undertaken by you? Briefly indicate what they are.

- (b) Are spraying, dusting or other control measures adopted periodically as a routine measure for protection or only when there is an attack by pests or diseases?
 - (c) What were the acreage sprayed, dusted or treated in other ways for pest control in each of the years 1950, 1951, 1952 and 1953 and what was the average cost per year per acre sprayed or otherwise treated?
14. (a) Is there a surplus, adequacy or dearth of labour in the region in which your estate is situated? Have you any suggestions to make regarding recruitment and assured supply of labour?
- (b) What was the average number of labourers (Men, Women, Adolescent and Children to be shown separately) employed in your estate in each of the last 4 years 1951 to 1954? What was their average attendance during the working days in each year? Please show figures for permanent, temporary and casual labour separately.
15. (a) Of the permanent workers, how many are living on the estate? Are all of them provided with living quarters? If not, what is the percentage of labour not provided with quarters?
- (b) Are there any non-working dependents living on the estate and if so, what is their number?
- (c) What is the type of accommodation provided for labour? What percentage of existing quarters conform to any prescribed scales?
- (d) Is any housing provided for permanent workers not living on the estate?
16. What were the different kinds of wage rates and D. A. paid to workers—men, women, adolescent and children (permanent, temporary and casual)—in the years 1950, 1951, 1952, 1953 and 1954?
17. Are any allowances or other monetary concessions paid in addition to wages and D. A.? If so, detail them.
18. Is any land allotted for personal or family cultivation to labour in your estate? If so, what is the total area of such land in your estate and average area allotted per family? Is any charge levied for the use of such land by labour?
19. Are any bonuses paid to labour? If so, what are the rates and kinds of such bonuses?
20. Please furnish details of medical facilities available to labour.
21. Are any other labour welfare benefits provided? If so, give details together with total amounts spent in each of the last three years.
22. (a) Is there any period during which the workers are laid off?
- (b) Are any wages, other allowances or compensation paid during this period? If so, furnish number of workers laid off and amount paid during the years 1950, 1951, 1952, and 1953.
23. (a) Please furnish the following particulars regarding
- (1) Managerial Staff including Deputy and Assistant Managers; and
 - (2) Senior staff other than Managerial staff, employed in your estate in the years 1939, 1946 and 1954:
 - (i) Number employed, and

- (ii) Rates of pay, allowances and concessions in cash and kind (such as pension, provident fund, free quarters or house allowance, marriage allowances, child allowance, conveyance allowances, servant allowances or free servant, leave etc.).

[Particulars for Indian and non-Indian personnel to be shown separately].

- (b) Are any commissions paid to the Managerial Staff and Senior Staff other than Managerial Staff? If so, what are the rates at which commissions are paid? What were the actual amounts paid in the years 1950, 1951, 1952 and 1953? Please furnish particulars in the form given below:—

Year	Amount paid as commission to		
	Managerial staff including Deputy and Assistant Managers	Senior staff other than Managerial staff	Total
1950			
1951			
1952			
1953			

- (c) Please furnish the following particulars regarding the supervisory staff such as Maistries, clerical, technical and inferior staff (*i. e.*, Durwans, Peons, Chowkidars, etc.) employed in the estate.

(i) Number employed,

(ii) Rates of pay and other allowances and concessions.

24. What is the basis on which depreciation is provided in your accounts in respect of your buildings, plant and machinery and other accessories?

25. Have you been providing depreciation including provision for rehabilitation of planted acreage and what is the total depreciation provided so far? Is the amount provided for depreciation funded separately?

26. How has the depreciation fund been used from time to time? How is it invested?

27. What was the depreciation allowed by the Income-tax authorities in the last four years 1950, 1951, 1952 and 1953?

28. (a) Do the value of fixed assets shown in your books represent actual costs?

(b) Was any revaluation made of any of your assets in the past? If so, give particulars of the revaluation.

29. (a) Do you prepare both 'Plantation' (Parchment) and 'Cherry' Coffee? Please state the percentage of your produce in 1953 which was made into the 'Plantation' (Parchment) variety and into 'Cherry' respectively.

- (b) Have you in your estate the necessary facilities for 'pulping' fermenting and washing your Coffee to make it into the 'Plantation' (Parchment) form? If not, how do you have this processing done?
- (c) Do you utilise the waste products such as Coffee pulp and husk for any purpose? If they are not utilised, how are they disposed of?

30. Do you maintain your own curing establishment? If not, by what agency do you have your coffee cured? Do you consider the charges levied for curing reasonable?

31. If you use the services of a curing establishment, do they render you services other than curing? If so, what are such services? What are the charges usually made for such services?

32. (a) Please mention the means of transport you use for the transport of your produce for delivery to the Coffee Pools Depots or Agent and the rates of transport charges per 100 lbs. for each of the last four years 1950 to 1953.

(b) Please indicate any special difficulties you are experiencing in the matter of transport and your suggestions for overcoming them.

C—Methods of Financing Coffee Estates

33. (a) What are your present needs of funds for the improvement or renovation of the permanent assets of your Coffee estates, such as land including planting, buildings, machinery and plant, installation and equipment and other assets to maintain and continue the working of the estates on sound lines? Indicate purposes for which the funds are required.

(b) Please give an estimate of your requirements with reference to any plans and proposals you may have.

(c) If the expenditure is to be spread over a number of years, please indicate the proposed rate of expenditure each year for the next 5 years.

[NOTE.—Increase of expenditure attributable to the implementation of the Plantation Labour Act, 1951 (LXIX of 1951) may please be shown separately to the extent possible.]

34. (a) What is your estimate of your normal requirements of working capital for the production of your crop every year?

(b) What was the expenditure under this head during each of the last three years and what is the estimated expenditure for the next year?

35. (a) What are the sources from which you ordinarily obtain funds for

(i) capital expenditure (for effecting, additions and improvements to your permanent assets), and

(ii) normal working expenses.

(b) Are they

(i) your own resources like reserves,

(ii) loans or advances from Managing Agents,

(iii) loans or advances from Commercial Banks, Indian and non-Indian,

(iv) advances from Coffee curing establishments,

(v) advances from other agencies.

(c) Please indicate the amounts applied for and received under these heads during the last three years to show their relative importance.

36. Please indicate

(a) the procedure usually followed by you to get the finance you need,

(b) nature of the securities usually required by Banks and others for different kinds of loans,

(c) nature of the difficulties, if any, experienced in getting funds as and when required.

37. Please state the rates of interest and any other charges you have to pay for these loans. Have you any special difficulties or complaints in this respect?

38. What are your suggestions for improving and developing sources of finance for the Coffee Industry ?

D—Marketing of Coffee

39. Are you satisfied with the present arrangements and procedures for the delivery of your Coffee to the 'Pool' and for payment due to you from the 'Pool' ? If you have any difficulties, what are they and what are your suggestions for improvement?

40. Please state whether in your view the present system of marketing Coffee in India is satisfactory. If you have any suggestions for modification or improvement, please state them.

41. Are you aware of any speculative activities connected with the marketing of Coffee in India? If so, what are its effects and what remedies do you suggest?

E—Miscellaneous

42. (a) In your opinion, is there a tendency amongst producers to grow Robusta Coffee in areas suitable for the cultivation of Arabica? If so, what are the reasons for it?

(b) If there is any such tendency, has it any adverse effects on the Indian Coffee Industry? What remedial measures would you suggest if in your opinion such measures are necessary?

43. Besides income from Coffee, do you derive any other income from your estate? If so, please give details. How are they shown in your accounts?

PROFORMA 'A'—COFFEE

[To be filled-up by companies (public as well as private) engaged in producing Coffee—See question A 1 of Questionnaire I—Coffee]

1. Name and address of the Company.

2. Whether it is a Private Limited or Public Limited Company, and whether incorporated in India with Rupee Capital or outside India with Sterling or other foreign Capital.

3. If your affairs are managed by Managing Agents or Secretaries, please indicate the name and address of the Managing Agents or Secretaries.

4. Name, location and registered ** acreage of the Coffee estates in India owned by or under lease of the Company. (If the Company also owns Coffee estates outside India, the location and area under Coffee of these estates may please be furnished separately.)

@5. A Capital

	Authorised Capital	Paid-up Capital
(i) at the time of formation of the Company		
(ii) on 30th June, 1939		
(iii) on 30th June, 1954		

If any bonus shares were issued since 1939, please give particulars.

If the company took over the assets of previously existing concerns, the names of the concerns, particulars of the assets taken over and the terms on which they were taken over should be mentioned.

NOTE.—(a) If your Company has, besides Coffee planting industry, other industries also, and if your capital cost includes the capital invested on the other industries, only that portion of the authorised and paid-up capital which relates to Coffee industry, should be given.

(b) In the case of Companies having business interests both in India and outside, information may please be furnished in 2 columns, one for the Company as a whole and the other showing the portion of the capital attributable to the Indian Coffee estates of the Company.

(c) The total amounts of the different types of shares like Ordinary Shares, Preference Shares etc. should be shown separately.

*B. Value and kind of debenture outstanding on 30-6-54 may be furnished.

@6. Total face value of shares and debentures separately held by

	on 30-6-39	on 30-6-54
(i) Managing Agents or secretaries.		
(ii) Institutional investors (e. g. Insurance Companies Investment Trusts, Banks etc.)
(iii) Others.

NOTE.—Under (iii) information about the number and value of shares and value of debentures held by Indians and non-Indians should be shown separately. In the case of Sterling Companies having business interests both in India and outside, information may please be given in two columns, one for the company as a whole and the other showing the share values attributable to the Indian estates of the Company.

** By Registered acreage is meant the acreage registered by the estate with the Indian Coffee Board.

@ In furnishing particulars of the share structure and debentures of the Company, those issues on which dividends are tax-free should be separately indicated.

* The rates of interest carried by the debentures should be given. If the debentures are in Sterling, they should be so indicated.

7. The total amount and amount per cultivated acre of reserves held by the Company on

- (i) 30th June, 1939,
- (ii) „ „ 1946,
- (iii) „ „ 1951,
- (iv) „ „ 1952,
- (v) „ „ 1953,
- (vi) „ „ 1954

NOTE.—(a) In the case of Companies which have other industries besides the Coffee industry, if the reserves are for industrial operation as a whole, the amounts attributable to the Coffee industry alone should be given under the above headings. Similarly, Companies having estates outside India should please indicate the amount of reserves available for their Indian Coffee estates.

(b) The nature of the reserves, whether general or specific, and if the latter, the amounts under specified heads should be mentioned.

(c) If the Company has any well-defined policy in the creation, making additions to and utilisation of reserves, it may be indicated.

8. The dividends paid on the different kinds of shares for the years and under the heads shown below:—

Year	Percentage paid on face value of shares	Percentage Paid on mean market value of shares	Dividend yield per acre
1939	.	.	.
1946	.	.	.
1951	.	.	.
1952	.	.	.
1953	.	.	.
1954	.	.	.

9. The number of Indian and non-Indian Directors on the Board of your Company as on 30th June, 1954.

10. If your affairs are managed by Managing Agents or Secretaries, has there been any change of Managing Agency since 1939? If so, please give particulars.

11. Any other information regarding capital investment in your estate and returns on capital which you may like to mention.

Proforma 'B'—Coffee

[To be filled up by individuals and concerns other than Companies growing Coffee—see Question A 1 of Questionnaire 1—Coffee.]

1. Name of the concern or individual owning Coffee estates. (In the case of partnership concerns, give the names of the partners).
2. Nationality of the owners. (If the owners belong to different nationalities, please give particulars.)
3. (a) Name, location and registered **acreage of the Coffee estates.
(b) Whether the owners reside in the estate and manage it. If not state the agency employed for management?
4. Value of capital invested by the owners in the Coffee estates. (If accurate figures are not available, an estimate of the investment in fixed assets like land, buildings, plant and machinery should be given.)
5. Whether any money was raised by loans from Banks or other sources for the acquisition of the estate? If so, please indicate the original amount of the loan, the rate of interest and the amount still outstanding.
6. If there has been change of ownership of the estate within the last 15 years, the nationality of the previous owners, date of transfer of ownership and terms and conditions of transfer may be indicated.
7. The net profits after providing for depreciation and taxation earned from your Coffee estates in

1939

1946

1950

1951

1952

1953

Proforma 'C'—Coffee

Statement showing expenditure incurred in growing Coffee during
1950-1953

[To be filled up by each estate or its Management—see Question No. B 6 of Questionnaire I—Coffee]

Name of estate

Year or years of establishment of the estate.....

Mean elevation of the estate

Name of owners

NOTE.—** By registered acreage is meant the acreage registered by the Estate with the Indian Coffee Board.

					1950	1951	1952	1953
Total acreage of estate								
Acreage under Coffee	Bearing	Arabica	. . . . .	..	..	..	..
		Robusta	. . . . .	..	..	..	..
	Non-bearing	Arabica	. . . . .	..	..	..	..
		Robusta	. . . . .	..	..	..	..
Acreage suitable for Coffee cultivation but not yet planted					. ..	..	..	..
Crop in Cwts. for the year . . . . .					..	..	..	..
Average crop in Cwts. during the last six years ending with current year.					..	..	..	..
					1950	1951	1952	1953
					(In Rupees)			

A—Cultivation

I. General field works . . . . .	..	..	..	..
II. Filling in vacancies including cost of nursery . . . . .	..	..	..	..
III. Manuring :								
Cost of chemical manures	..	..	..	..
Labour or application	..	..	..	..
Cost of organic manure and application . . . . .	..	..	..	..	..	..	..	..
IV. Spraying and dusting :								
Cost of spraying and dusting materials	..	..	..	..
Cost of spraying equipment and accessories	..	..	..	..
Cost of application . . . . .	..	..	..	..	..	..	..	..
V. Other pest control measures:								
Cost of materials . . . . .	..	..	..	..
Cost of equipment and accessories, if any.	..	..	..	..
Cost of application including labour	..	..	..	..	..	..	..	..

TOTAL

..
----	----	----	----

B—Charges for gathering and processing crop

VI. Wages for gathering . . . . .	..	..	..	..
VII Other crop gathering charges including cost of gunnies for packing and transport within estate etc.	..	..	..	..
VIII. Estate processing (such as pulping, fermenting, washing or drying, pounding, etc.	..	..	..	..
IX. Transport to curing works . . . . .	..	..	..	..
X. Curing charges . . . . .	..	..	..	..
<hr/>				
TOTAL .	..	..	..	..

C—General Charges

XI. Upkeep of buildings, roads, bridges and other assets .	..	..	..	..
XII. Depreciation . . . . .	..	..	..	..
XIII. Cost of recruitment and Medical facilities:				
Recruiting expenses . . . . .	..	..	..	..
Medical Benefits . . . . .	..	..	..	..
Other labour benefits . . . . .	..	..	..	..
<hr/>				

XIV. Bonus—other than to labour :				
Bonus to staff . . . . .	..	..	..	..
Commission to Managers and other senior staff . . . . .	..	..	..	..
Commission to Managing Director or Agents and Agency allowance . . . . .	..	..	..	..
<hr/>				

XV. Bonus to labour . . . . .	..	..	..	..
XVI. Salaries and allowances to staff :				
Estate . . . . .	..	..	..	..
Head Office . . . . .	..	..	..	..
<hr/>				

XVII. General and other office expenses :				
Estate . . . . .	..	..	..	..
Head Office . . . . .	..	..	..	..
<hr/>				

<hr/>				
TOTAL .	..	..	..	..

Total cost of production	.	.	.	.	.	..	..	..	..
Cost per cultivated acre	.	.	.	.	.	..	..	..	..
Cost per Cwt.	.	.	.	.	.	..	..	..	..

D—Other Expenses

XVIII. Interest paid on loan or debentures or to Financing Houses.

XIX. Income-tax or other taxes on income

TOTAL
-------	---	----	----	----	----

E—Capital Expenditure

XX. Cost of planting on virgin jungle :

I	year	.	.	..	..	..	..
II	„	.	.	..	..	..	..
III	„	.	.	..	..	..	..
IV	„	.	.	..	..	..	..

and so on up to bearing

Costing of replanting reclaimed land :

I	Year	.	.	..	..	..	..
II	„	.	.	..	..	..	..
III	„	.	.	..	..	..	..
IV	„	.	.	..	..	..	..

and so on up to bearing

Cost of replanting existing old cultivation :

I	Year	.	.	..	..	..	..
II	„	.	.				
III	„	.	.	..	..	..	..
IV	„	.	.	..	..	..	..

and so on up to bearing

Other capital expenditure :

Building	.	.	.	..	..	..	..
Machinery	.	.	.	..	..	..	..
Other items	.	.	.	..	..	..	..

TOTAL
-------	---	----	----	----	----

Instructions for Filling up the Proforma 'C'—Coffee regarding cost of growing Coffee

The required information should be furnished for the 4 years 1950, 1951, 1952 and 1953 separately against each item as shown in Proforma.

The costs should be shown under the broad groups A, B, and C. The expenditure should further be sub-divided as far as possible under the different sub-heads shown under each group. The cost of labour wherever shown should include both basic wages and dearness allowance.

Groups D and E do not relate to cost of production and no part of any expenses covered by these groups should be included in the cost under any of the groups referred to in the previous paragraph.

If any expenses incurred in an estate cannot properly be grouped under any of the items, such expenses may be shown separately but properly described.

In an estate growing other crops like tea or rubber in addition to coffee, expenses common to the different crops should be allocated to each group on some reasonable basis. Examples of such expenditure are salaries and wages, other expenses, general upkeep, etc.

The following short notes will indicate the nature of the expenses that should be included in each of the items in the Proforma.

A—Cultivation

I. *General Field Words* : All expenses on account of pruning, hoeing, forking, weeding, trenching, repairing wire fences, making shade tree nurseries, uprooting old and dead plants and shadowing will be included here. The cost will comprise mostly labour charges.

II. *Filling-in vacancies including cost of nursery* : All expenses on account of cost of coffee plants for in-filling, nurseries for in-filling, and filling-in vacancies will be included here. Expenses in respect of large-scale suppling, replanting and new extensions should not be included here but under Re-planting or New Extensions, as the case may be.

III, IV and V. *Manuring, spraying and dusting and other pest control measures* : The cost of materials and the cost of labour incurred in applying it to the estate should be separately shown. The cost shown should represent the cost of materials actually applied to the estate in the respective years.

B—Charges for Gathering and Processing Crop

VI and VII. *Wages for gathering and other crop gathering charges including cost of gunnies for packing and transport within estate etc* : This will include wages paid for gathering crop and miscellaneous expenses incidental thereto, such as cost of baskets, and gunnies and transport charges within estate.

VIII. *Estate processing (such as pulping, fermenting, washing or drying, pounding etc.)* : Under this head will be shown the expenditure incurred in processing the beans before they are sent to curers for curing. All expenditure incurred in this connection including labour charges should be shown here.

IX. *Transport Charges* : The transport charges incurred in sending the processed Coffee to curers for curing should be shown here.

X. Curing Charges : Under this head should be shown the curing charges actually paid for curing.

C—General Charges

XI. Up-keep of buildings, roads, bridges and other assets : All expenditure on ordinary repairs and maintenance of various assets owned by the estate should be included here. Expenditure of a capital nature should not be included here but shown later under Capital Expenditure.

XII. Depreciation : The depreciation provided by the estate should be mentioned here. If the rates adopted by the estates are different from income-tax rates, the rates actually adopted should be mentioned.

XIII. Recruiting expenses and Medical and Labour Benefits : This will include Recruiter's pay, commission, fares of new labourers, local recruiting expenses, repatriation expenses, settling allowances, cost of hospital facilities, labour welfare expenses, maternity benefits and holiday pay. The cost of supplying cheap foodgrains or other similar concessions should not be included here but treated as part of D. A. and included under labour cost wherever shown.

XIV. Bonus other than to Labour : Under this will come amounts paid to Managerial staff, Directors, Agency allowance and commission paid to other managerial staff, and bonus to staff; but bonus paid to labour will be shown under item XV.

XV. Bonus to labour : Under this will be shown bonus paid to labour.

XVI. Salaries and allowances to staff : Under Estate staff will be included the salaries, allowances and provident fund contributions in respect of Superintendent, Manager, Engineer, Assistant Manager, Head Clerk, other clerks, Writers and Storekeepers, Jamadar, Chowkidars, Dak runners, Sweepers, Gardners, staff servants, etc.

XVII. General and other office expenses : Under this head will be shown expenses on account of land rent, municipal tax and other similar taxes, office expenses like postage, stationery, etc.

Total cost of production : Total cost of production is the figure obtained by adding the figures under the groups A, B and C.

Cost per cultivated acre: Cost per cultivated acre is the figure obtained by dividing the total cost of production for a year by the acreage under Coffee (bearing and non-bearing) of the estate in that year.

Cost per Cwt : The cost per Cwt. is the figure obtained by dividing total cost of production by the average of the crop in Cwts. produced in the six years ending with the current year.

D—Other Expenses

XVIII. Interest on loans and debentures : Any interest paid on long-term loans or debentures advanced by Agency Houses should be shown here.

XIX. Incometax etc. : This should include all taxes on incomes, such as income-tax, super tax, corporation tax, agricultural income-tax, etc.

E—Capital Expenditure

XX. Capital expenditure should not be included in the costs under any of the groups A to C but shown here. In the case of replanting or new clearings the expenditure of a year should be shown here against the relevant column according as the expenditure relates to I year, II year and so on. The number of acres to which the expenditure relates and the total expenditure in the year should be shown.

In the case of other capital expenditure, the actual expenditure incurred under each head like Buildings, Labour Lines, Plant and Machinery, etc., should be shown separately. A reasonable share of general expenses of the estates should be included under the various capital items wherever the work has been done by the estate under its own supervision.

Questionnaire II—Coffee

[To be answered by Coffee Dealers, Roasters, Blenders and other
Manufacturers of Coffee Products.]

1. Please furnish replies to Proforma 'D' and supply copies of your Balance Sheets and Profit and Loss Account for each of the years 1950, 1951, 1952 and 1953.

2. Please give figures for each of the years 1951, 1952 and 1953 of quantities of Coffee bought by you for roasting, grinding and packing for distribution.

(If any portion of the Coffee roasted, ground or packaged for distribution was the produce of your own estate, that may be separately indicated.)

3. (a) What are the factors that enter into the cost of roasting, grinding, blending, packing and marketing the Coffee sold by you?

(b) Please give details of cost incurred by you during each of the years 1951, 1952 and 1953.

4. Please furnish the highest and lowest prices per lb. of packaged Coffee sold by you during each of the years 1951, 1952 and 1953. (If you sell different brands of packaged Coffee, particulars for each may please be given separately).

5. What is the mechanism for the distribution of Coffee packaged by you? Are you considering any further improvements in this connection?

6. What are the regions or states in which your brands are chiefly sold?

7. Is the Coffee roasting, grinding and packing industry suffering from any handicaps? If so, what remedies or improvements do you suggest?

8. Do you think that Coffee consumption in India can be increased by the use of 'soluble' Coffee which can be quickly and conveniently prepared into liquid Coffee by the consumer? If so, in your opinion what are the possibilities of developing the manufacture and sale of soluble Coffee in India?

9. If you are in a position to do so, please give your estimate of the quantity in lbs. of Coffee sold in India in package form during each of the years 1951, 1952, and 1953.

10. (a) To what extent is adulteration of Coffee, known or suspected to be prevalent? Please furnish any information you may have regarding this.
- (b) What steps would you suggest to prevent or minimise this evil?

Proforma —‘D’—Coffee

[To be filled up by Curers, Roasters, Blenders, Packers and other Dealers in Coffee.]

1. Name and address of Company or Concern.
2. Whether incorporated in India with Rupee Capital or outside India with Sterling or other Capital.
3. If the Company is administrated by Managing Agents or Secretaries, indicate the name and address of the Managing Agents or Secretaries.
4. Places where the Company's works and/or offices are situated.
5. (a) Authorised Capital }
and } on 30-6-1954.
(b) Paid-up Capital }

NOTE.—The total amounts of different shares like Ordinary, Preference etc., should be shown separately.

6. Total face value of shares held on 30-6-1954 by
 - (i) Managing Agents.
 - (ii) Institutional Investors (like Insurance Companies, Investment Trusts, Banks etc.).
 - (iii) Others.

NOTE.—Information about the number and value of shares held by Indians and Indians should be shown separately in each case.

7. The number of Indian and non-Indian Directors on the Board of your Company as on 30-6-1954.

[In the case of Partnership Concerns, the number of Partners (Indian and non-Indian separately) may be furnished. In the case of Proprietary concerns the nationality of the Proprietors may be given.]

8. The following particulars regarding the Managerial and Technical staff (Covenanted) employed by the Company.

- (i) Number and designation of persons employed; and
- (ii) Rates of pay and other allowances and concessions.

NOTE.—(a) Particulars for Indian and non-Indian personnel should be shown separately.
(b) Information regarding purely clerical staff and junior staff, peons, durwan, etc., is not required.

Questionnaire III—Coffee

[To be answered by the Indian Coffee Board, Governments of Coffee growing States, Coffee Growers' and Traders' Associations.]

A—Future Expansion of Production

1. Is it possible to estimate the trend of future demand for Coffee for
 - (i) internal consumption,
 - (ii) export.

What are your views?

2. In your opinion, is it desirable to increase production of Coffee in India by extension of cultivation in new areas? If so, is suitable land available? Can you give an approximate estimate of the acreage of land likely to be available for expansion of Coffee cultivation mentioning the region in which they are situated?

3. What is your opinion regarding the possibility of getting increased production from existing areas by improved methods of cultivation, better manuring, replacing worn-out plants and such other methods? If possible, give an estimate of the possibilities of increased production by these methods.

B—Miscellaneous

4. What in your view is the minimum area of a Coffee estate for economic working if (i) it is managed by a Company and (ii) if it is a proprietary or partnership concern? Please give reasons in support of your view.

5. Generally speaking, are small holdings proportionately much less productive than the larger estates? If so, what in your opinion are the reasons for this? Can you suggest ways and means by which the producers—especially the smaller ones can be helped to increase their productivity?

6. Please furnish with necessary details an estimate of the increase in production costs that is likely to result from the implementation of the Plantation Labour Act.

PLANTATION INQUIRY COMMISSION

Telegrams : "Plantation",
New Delhi.

Block No. 9, Room No. 343,
Shahjehan Road Hutments.
New Delhi, the September, 1954.

To

All Companies.

SUBJECT : *Palntation Inquiry Commission—Questionnaire I—COFFEE.*

Sir,

I am directed to invite your attention to the Notification No. S. R. O. 1261, dated the 17th April, 1954, issued by the Government of India in the Ministry of Commerce and Industry, which contains the terms of reference and the composition of the Plantation Inquiry Commission. The Commission have prepared Questionnaire I—Coffee, for the Coffee industry to be answered by Managing Agents, Companies (Public Limited and Private Limited), proprietary concerns and individuals owning or having under their management Coffee estates. A copy of the Notification and of the Questionnaire I—Coffee, referred to are enclosed with the request that your answers may be furnished not later than the 15th November, 1954. It will facilitate the Commission's work if the reply to each question is given in separate sheets typed on one side only. Seven spare copies of the replies may also kindly be furnished.

2. If there are under your management more than one Coffee company and where the answer to any particular question can be conveniently given so as to cover all your companies, it is enough if you send one reply covering all your companies, indicating that the answer applies to all of them. But answers to those questions which will necessarily vary from company to company and the particulars to be furnished for proformas 'A' or 'B' as the case may be, should be given for each company separately. Answers to proforma 'C' should be furnished for each estate, but if a Company has a group of estates in the same locality, the particulars for proforma 'C' may be furnished for the group of estates as a whole, if that is more convenient. In such cases, an indication to that effect may be given in the proforma. It is requested that special care may be taken in giving all the particulars called for in proforma 'C' and in the details indicated therein. The instructions for filling-up proforma 'C' attached to the form will, it is hoped, assist you in furnishing the several items of expenditure under the appropriate heads. Wherever statistical data have been called for, it is requested that they may be furnished fully. If you desire that the replies you furnish to any of the questions are to be treated as confidential, or that they should not be quoted, they may be so indicated in your replies. If there are any points pertaining to the Coffee Industry not covered by the questionnaire on which you have information and would like to offer your comments, you are welcome to do so in separate notes.

3. The term "year" used in the Questionnaire as well as in the proforma refers to the calendar year. In the case of some companies, their accounts may not be maintained calendar-year-wise. For such Companies, the following procedure may be adopted in answering the Questionnaire :

If the accounting year ends on or before the 30th June, the year's figure may be incorporated in the statement of the preceding calendar years

If the accounts are closed in the year subsequent to 30th June, the figures may be taken as referring to that calendar year, *i.e.*, for a Company whose accounts are closed on the 31st May, 1951, the figures from the accounts for that year will be shown in the return for 1950, and for a company whose accounts are closed on 31st July, 1951, the accounts for the year will be shown in the return for 1951. Likewise, wherever data have been asked for as on the 30th June, if information as on 30th June is not available, that relating to a date nearest to the 30th June which is available may be given.

4. Questionnaire I—Coffee is intended for the special attention of Managing agents, Companies (Public as well as Private), proprietary concerns, and individuals owning or having under their management Coffee estates but others who may be in a position to furnish replies can very well do so. Copies of the Questionnaire and of the Notification can be had from the office of the Secretary of the Commission at Room No. 343, Block No. 9 Shahjehan Road Hutments, New Delhi.

Yours faithfully,
(T. S. SESHUKUTTY).
Secretary.

No. 12(7)-PIC/54/A

GOVERNMENT OF INDIA

PLANTATION INQUIRY COMMISSION

Telegrams : "Plantation",
New Delhi.

Block No. 9, Room No. 343,
Shahjehan Road Hutments.

New Delhi, the 10th September 1954.

To

The Dealers.

SUBJECT:—*Plantation Inquiry Commission—Questionnaires I and II—COFFEE.*

Sir,

I am directed to invite your attention to the Notification No. S.R.O. 1261, dated the 17th April 1954, issued by the Government of India in the Ministry of Commerce and Industry, which contains the terms of reference and composition of the Plantation Inquiry Commission. A copy of the Notification and a copy of Questionnaire I—Coffee prepared by the Commission, are enclosed. Questionnaire I—Coffee, is intended primarily to be answered by Managing Agents, Companies (Public Limited and Private Limited), proprietary concerns and individuals owning or having under their management Coffee estates. It also includes certain questions—questions Nos. 40 to 42—to which answers should be furnished by Coffee Dealers, Roasters, Blenders and other manufacturers of Coffee. You are accordingly requested to furnish answers to these questions. You are also at liberty to answer any other questions in the Questionnaire in which you are interested.

2. Questionnaire II—Coffee, which has been prepared by the Commission, is intended for the special attention of Coffee Dealers, Roasters, Blenders and other manufacturers of Coffee products. A copy of this Questionnaire is also enclosed with the request that your answers to both the Questionnaires may be furnished not later than the 15th November, 1954. It will facilitate

the Commission's work if the reply to each question is given in separate sheets typed on one side only. Seven copies of the replies may also kindly be furnished. It is requested that special care may be taken in giving all the particulars called for in Proforma 'D' of Questionnaire II—Coffee in the details indicated therein. Whatever statistical data you have been called upon to furnish may please be furnished fully. If you desire that the replies you furnish to any of the questions are to be treated as confidential or that they should not be quoted, they may be so indicated in your replies. If there are any other points pertaining to the Coffee industry not covered by the Questionnaires on which you have information and would like to offer comments, you are welcome to do so in separate notes.

3. The term "year" used in the Questionnaire as well as in the proforma refers to calendar year. In the case of some Companies, their accounts may not be maintained calendar-year-wise. For such companies, the following procedure may be adopted in answering the Questionnaires:

If the accounting year ends on or before the 30th June, the year's figures may be incorporated in the statement of the preceding calendar year. If the accounts are closed in the year subsequent to 30th June, the figures may be taken as referring to that calendar year, *i.e.*, for a Company whose accounts are closed on the 30th May 1951, the figures from the accounts for that year will be shown in the return for 1950 and for a Company whose accounts are closed on the 31st July, 1951 the accounts for the year will be shown in the return for 1951. Likewise, wherever data has been asked for as on 30th June if information as on 30th June is not available, that relating to a date nearest to the 30th June which is available may be given.

4. Questionnaires I and II—Coffee, are intended for the special attention of Companies (Public Limited and Private Limited), proprietary concerns and individuals and Coffee Dealers, Roasters, Blenders and other manufacturers of Coffee products but others who may be in a position to furnish replies to these Questionnaires may, if they so desire, furnish replies. Additional copies of the Questionnaires and the Notification can be had from the office of the Secretary of the Commission at Room No. 343, Block No. 9, Shahjehan Road Hutments, New Delhi.

Yours faithfully,
(T. S. SESHUKUTTY)
Secretary.

No. 12(7)-PIC/54/B

GOVERNMENT OF INDIA

PLANTATION INQUIRY COMMISSION

Telegrams : "Plantation",
New Delhi.

Block No. 9, Room No. 343,
Shahjehan Road Hutments.
New Delhi the September, 1954.

To

Coffee Traders' Associations.

SUBJECT:—*Plantation Inquiry Commission—Questionnaires—I, II and III—COFFEE*
Sir,

I am directed to invite your attention to the Notification No. S. R. O. 1261, dated the 17th April, 1954, issued by the Government of India in the

Ministry of Commerce and Industry, which contains the terms of reference and the composition of the Plantation Inquiry Commission. The Commission have prepared 3 Questionnaires, Questionnaires I, II and III—Coffee, for the Coffee Industry. Five copies of the Questionnaires and of the letters with which Questionnaires I and II—Coffee, have been forwarded to the Coffee Companies and others concerned are enclosed.

2. Your replies to questions 40 to 42 of Questionnaire I—Coffee, questions 5 to 10 of Questionnaire II—Coffee and question 1 of Questionnaire III—Coffee are requested. The replies may be sent by the 15th November, 1954, with seven spare copies, the reply to each question being typed in separate sheets on one side only.

3. If you have any observations to make on the other questions of the Questionnaires and on any point concerning the Coffee Trade and Industry not covered by any of the Questionnaires, you may do so in separate notes or memoranda. If you desire that any information which you may furnish is to be treated as 'Confidential', or should not be quoted, it may be so indicated in your reply.

4. Additional copies of the Questionnaires can be had from the Office of the Secretary of the Commission at Block No. 9 Room No. 343, Shahjehan Road Hutments, New Delhi.

Yours faithfully,
(T. S. SESHUKUTTY)
Secretary.

No. 12(7)-PIC/54/C
GOVERNMENT OF INDIA
PLANTATION INQUIRY COMMISSION

Telegrams: "Plantation",
New Delhi.

Block No. 9, Room No. 343,
Shahjehan Road Hutments.

New Delhi, the 11th September 1954.

To

Chamber of Commerce and Trade Unions.

SUBJECT:—*Plantation Inquiry Commission—Questionnaires—I, II and III—COFFEE*

Sir,

I am directed to forward to you a copy of the Notification No. S. R. O. 1261, dated the 17th April, 1954, issued by the Government of India in the Ministry of Commerce and Industry, which contains the terms of reference and the composition of the Plantation Inquiry Commission and a copy each of Questionnaires, I, II and III—Coffee, prepared by the Commission for the Coffee Industry. Copies of these Questionnaires have been sent to Managing Agents, Coffee Companies and other Coffee estate proprietors, Coffee Dealers, Roasters, Blenders and Manufacturers of Coffee products, Organisations of Producers and others concerned, to furnish detailed replies to questions with which they are concerned.

2. If you desire to furnish replies to any of the questions of the Questionnaires, you may do so. The replies may be made in separate sheets for each question typed on one side only. Seven spare copies of the replies, if any, may

also be furnished. If there are any other points concerning the Coffee Trade and Industry covered by the Commission terms of reference on which you would like to send your views, you may do so by means of separate notes or memoranda.

3. All replies may please be sent so as to reach this office by the 15th November, 1954.

Yours faithfully,
(T. S. SESHUKUTTY)
Secretary.

No. 12(7)-PIC/54/D
GOVERNMENT OF INDIA
PLANTATION INQUIRY COMMISSION

Telegrams: "Plantation,"
New Delhi.

Block No. 9, Room No. 343,
Shahjehan Road Hutments.
New Delhi, the 11th September, 1954.

To

The Coffee Growers' Associations.

SUBJECT:—*Plantation Inquiry Commission—Questionnaires—I, II and III—COFFEE.*

Sir,

I am directed to invite your attention to the Notification No. S. R. O. 1261, dated the 17th April, 1954, issued by the Government of India in the Ministry of Commerce and Industry, which contains the terms of reference and the composition to the Plantation Inquiry Commission. The Commission have prepared 3 Questionnaires, Questionnaires Nos. I, II and III—Coffee, for the Coffee Industry. Five copies of the Questionnaires and of the letters with which Questionnaires I and II—Coffee, have been forwarded to the Coffee Companies and others are enclosed.

2. Questionnaire I—Coffee, is intended to be answered in particular by Managing Agents, Companies (public limited and private limited), proprietary concerns, and individuals owning or having under their management Coffee Estates. In the case of estates which are under Managing Agents and Companies, copies of Questionnaire I—Coffee have been sent to the Managing Agents and Companies with instructions that they may, if they so choose, furnish a consolidated reply for all the estates under them except statistical data and proformas 'A' and 'C'—Coffee, which have to be answered separately for each estate under their management. In the case of proprietary estates and partnership concerns, copies of the Questionnaire have been forwarded only to those whose acreage under coffee is 100 and above. The number of estates with acreage in coffee planting below 100 being very large, the Commission propose to send Questionnaire only to a selected few of them so that from the replies received a good estimate could be made of relevant factors concerning the small holdings in the Industry. It is therefore requested that a list of a few representative estates owned by individuals and partnership concerns with acreage below 100 in your Associations' membership may be furnished, who in your estimate will readily furnish replies to the Questionnaire.

3. Questionnaire II—Coffee, has been forwarded to Coffee Dealers, Roasters, Blenders and other manufacturers of Coffee products.

4. Your replies are requested to Questionnaire III—Coffee, and also to problems raised in questions Nos. 9, 10, 11(a) and (c) and 30 to 42 of Questionnaire I—Coffee, and question No. 10 of Questionnaire II—Coffee. It is requested that the replies may be sent by the 15th November, 1954, with seven spare copies, each question's answer being in separate sheets typed on one side only.

5. If you have any observations to make on the other questions of the Questionnaires and on any point concerning the problems of the Coffee Industry not covered by any of the Questionnaires, you are welcome to do so in separate notes or memoranda. If you desire that any information which you may furnish is to be treated as 'Confidential' or should not be quoted, it may be so indicated in your reply.

6. Additional copies of the Questionnaires can be had from the Office of the Secretary of the Commission at Room No. 343, Block No. 9, Shahjehan Road Hutments, New Delhi.

Yours faithfully,
(T. S. SESHUKUTTY)
Secretary.

No. 12 (7)-PIC/54/-E
GOVERNMENT OF INDIA

PLANTATION INQUIRY COMMISSION

Telegrams: "Plantation",
New Delhi.

Block No. 9, Room No. 343,
Shahjehan Road Hutments.

New Delhi, the

September, 1954.

To

Coffee Curers.

SUBJECT:—*Plantation Inquiry Commission—Questionnaires I and II—COFFEE.*

Sir,

I am directed to invite your attention to the Notification No. S. R. O. 1261, dated the 17th April, 1954, issued by the Government of India in the Ministry of Commerce and Industry, which contains the terms of reference and the composition of the Plantation Inquiry Commission. The Commission have prepared two Questionnaires for the Coffee Industry—Questionnaire I—Coffee to be answered in particular by Managing Agents, Companies (Public Limited and Private Limited), proprietary concerns and individuals owning or having under their management Coffee estates, and Questionnaire II—Coffee to be answered by Coffee Dealers, Roasters, Blenders and other manufacturers of Coffee products. A copy each of the two Questionnaires referred to and of the Notification are enclosed. Though Questionnaire I is intended to be answered in particular by Managing Agents, Companies (Public as well as Private), proprietary concerns and individuals owning or having under their management Coffee estates, answers to the problems raised in questions Nos. 38 to 42 could usefully be furnished among others by Coffee-curing concerns. Likewise, though Questionnaire II—Coffee, is intended to be answered in particular by Coffee Dealers, Brokers, Blenders, and other manufacturers of

Coffee products, question 1 and the Proforma enclosed with it will require to be answered by Curers also. You are accordingly requested to furnish answers to questions Nos. 38 to 42 of Questionnaire I—Coffee, and question 1 and Proforma 'D' of Questionnaire II—Coffee. In regard to question 1 of Questionnaire II and Proforma 'D'—Coffee, the information which the Commission is interested in having, is about the Coffee-curing side of your organisation. If your Coffee-curing business is not run as an independent concern and the Balance Sheet and Profit and Loss Account of the Coffee-curing part of your organisation is not published separately, it is requested that the information required under question 1 and Proforma 'D' may be furnished for your organisation as a whole and information regarding the capital invested and the Profit or Loss of your Coffee-curing establishment may be indicated separately. Besides these, there are questions in Questionnaires I and II—Coffee as for instance questions Nos. 36 of Questionnaire I—Coffee and 10 of Questionnaire II—Coffee, to which you may be able to furnish useful replies. Your answers to all these questions of the Questionnaires and to any other question to which you may like to give replies, should be furnished not later than the 15th November, 1954. It will facilitate the Commissions' work if replies to each question are given in separate sheets typed on one side only. Seven spare copies of the replies may also be furnished. If you have any observations to make on the other questions of the Questionnaires and on any point concerning the Coffee Trade and Industry not covered by any of the Questionnaires, you may do so in separate notes or memoranda. If you desire that the replies you furnish to any of the questions are to be treated as 'Confidential', or that they should not be quoted, they may be so indicated in your replies.

2. The term "year" used in the Questionnaires as well as in the Proforma refers to the Calendar year. In the case of some Companies their accounts may not be maintained calendar-year-wise. For such Companies, the following procedure may be adopted in answering the Questionnaires:—

If the accounting year ends on or before the 30th June, the year's figures may be incorporated in the statement of the preceding calendar year. If the accounts are closed in the year subsequent to 30th June, the figures may be taken as referring to that calendar year, i.e. for a Company whose accounts are closed on 30th May, 1951, the figures from the accounts for that year will be shown in the return for 1950, and for a Company whose accounts are closed on 31st July, 1951, the accounts for the year will be shown in the return for 1951. In all such cases the actual accounting year adopted by you may please be mentioned. Likewise, wherever data has been called for as on 30th June, if information as on 30th June is not available, that relating to a date nearest to the 30th June which is available, may be given.

3. Additional copies of the Questionnaires and of the Notification can be had from the Office of the Secretary of the Commission at Block No. 9, Room No. 343, Shahjehan Road Hutments, New Delhi.

Yours faithfully,
(T. S. SESHUKUTTY)
Secretary.

No. 12(7)-PIC/54/F

GOVERNMENT OF INDIA

PLANTATION INQUIRY COMMISSION

Telegrams: "Plantation,"
New Delhi.

Block No. 9, Room No. 343,
Shahehjan Road Hutments.

New Delhi, the September, 1954,

To

State Governments.

SUBJECT:—*Plantation Inquiry Commission—Questionnaires I, II and III—COFFEE.*

Sir,

I am directed to invite your attention to the Notification No. S. R. O. 1261, dated the 17th April, 1954, issued by the Government of India in the Ministry of Commerce and Industry, which contains the terms of reference and the composition of the Plantation Inquiry Commission. The Commission have prepared three Questionnaires, Questionnaire I—Coffee, to be answered in particular by Managing Agents, Companies (Public Limited and Private Limited), proprietary concerns and individuals owning or having under their management Coffee estates, Questionnaire II—Coffee, to be answered by Coffee Dealers, Roasters, Blenders and other manufacturers of Coffee products and Questionnaire III—Coffee to be answered by the Indian Coffee Board and Coffee Growers' Associations. Copies of the Notification and of the Questionnaires referred to are enclosed.

2. It will help the Commission if information on some of the questions which are of a general nature is furnished also by the State Government's concerned. It is therefore requested that your Government's replies to the problems raised in questions 14, 20, 38 and 40 of Questionnaire I—Coffee, question 10 of Questionnaire II—Coffee and questions 1 to 6 of Questionnaire III—Coffee, may be furnished to the Commission as early as possible with seven spare copies typed on one side only. If your Government have any observations to make with reference to other questions in the different questionnaires, such observations will be most welcome. If there are any aspects of the Industry covered by the terms of reference of the Commission but not included in the Questionnaires and on which your Government may have material to furnish or observations to make, they may kindly do so. If any part of the replies furnished is desired to be treated as 'Confidential', an indication to that effect may be furnished in the replies.

3. After the questionnaires have issued, the Commission will have a tour of the plantation areas when, they hope, it would be possible for them to meet the Representatives of your State Government and ascertain their views on various aspects of the industry.

Yours faithfully,

(T. S. SESHUKUTTY).

Secretary.

No. 12(7)-PIC/54
GOVERNMENT OF INDIA
PLANTATION INQUIRY COMMISSION

Telegrams: "Plantation,"
New Delhi.

Block No. 9, Room No. 343⁹
Shahjehan Road Hutments.
New Delhi, the September, 1954.

To

The Chief Coffee Marketing Officer, Indian Coffee Board,
Bangalore.

SUBJECT:—*Plantation Inquiry Commission—Questionnaires I, II and III—COFFEE.*

Sir,

I am directed to forward to you a copy of Notification No. S. R. O. 1261, dated the 17th April, 1954, issued by the Government of India in the Ministry of Commerce and Industry, which contains the terms of reference and the composition of the Plantation Inquiry Commission and a copy each of Questionnaires I, II and III—Coffee, prepared by the Commission on the Coffee Industry. Copies of Questionnaire I—Coffee, have been forwarded to the Managing Agents, Companies, (Public Limited and Private Limited,) proprietary concerns and individuals who own or have under their management Coffee estates, Coffee Growers' Associations, State Governments and a few others for furnishing replies. Copies of Questionnaire II—Coffee, have likewise been sent to Coffee Dealers, Roasters, Blenders and other manufacturers of Coffee products and to the State Governments concerned with the request that they may furnish replies to the question with which they are concerned.

Questionnaires I and II—Coffee, also contain questions to the problems raised in which answers could be furnished by the Indian Coffee Board. They are questions Nos. 8 (c), 9, 10, 11(a) and (c), 31, 32 and 38 to 42 of Questionnaire I—Coffee, and questions Nos. 3 and 7 to 10 of Questionnaire II—Coffee. Besides these, there are also other questions in the two Questionnaires on which information could perhaps be furnished by you for the Coffee Industry as a whole. You are accordingly requested to furnish answers to these questions and any other questions in the Questionnaires. To the questions in Questionnaire III—Coffee, your detailed replies are requested.

2. On the subject of marketing of Coffee in India, it is requested that a comprehensive memorandum may kindly be furnished to the Commission giving information on all important points such as :

(a) arrangements for collection of Coffee into the pool from large growers and small growers—arrangements for storage and custody—adequacy or otherwise of these arrangements;

(b) grading of Coffee for marketing—description of different grades fixed by the Coffee Board—procedure for grading;

(c) arrangements and procedures for sale of Coffee from the pool—pool auctions, local auctions, Co-operative Societies and Propaganda Department;

(d) arrangements and procedures for export sales; (a list of concerns which participate in the export business and information regarding the

procedure adopted by the firms for the sale of Coffee abroad may also be furnished to the extent information is available with the Coffee Board);

(e) the basis of the price policy followed by the Board—the manner in which price differentials for the different varieties of Coffee are settled—the manner in which the pool expenses are determined and pool basic price settled;

(f) methods of payment by the Board to the producer;

(g) any other assistance given by the Coffee Board in financing the grower;

(h) the difficulties, if any, experienced by the Coffee Board in marketing Coffee and suggestions for improvement.

3. If there are any aspects of the Coffee Industry not covered by any of the questions in the Questionnaires, on which you may like to make observations or furnish materials, you are welcome to do so. Seven copies of your replies to the Questionnaires and memoranda may be furnished. The replies to each question may be typed on one side of the paper only and sent so as to reach this Commission on or before the 15th November 1954.

4. The Commission has received the copies of the Thirteenth Annual Report of the Indian Coffee Board (1952-53) kindly sent by you. The Commission will be grateful if you will kindly send them another copy of the Report with the Statistical appendices brought up to date to the extent possible from information readily available in the Office of the Coffee Board.

5. Ten spare copies of the Questionnaires have been sent to you separately. Additional copies, if any required, can be had from the Office of the Secretary of the Commission at Block No. 9, Room No. 343, Shahjehan Road Hutments, New Delhi.

Yours faithfully,
(T. S. SESHUKUTTY)
Secretary.

APPENDIX IV

PLANTATION INQUIRY COMMISSION

Questionnaire I—Rubber

[To be answered in particular by Managing Agents, Companies (Public Limited and Private Limited), Proprietary Concerns and Individuals owning or having under their management Rubber estates.]

A—Capital and Management

1. Please furnish replies to the proforma 'A' or 'B' whichever is applicable to you and supply copies of your Balance Sheets and Profit and Loss Accounts for the years 1939, 1946, 1950, 1951, 1952 and 1953.

2. If your affairs are administrated by Managing Agents or Secretaries, please state whether the Managing Agent or Secretary is a Company and if a Company, whether it is public or private and whether it is incorporated in India or abroad.

3. If the Managing Agents are a Company, please indicate the proportion of its capital owned by Indians and non-Indians respectively and the number of Indian and non-Indian Directors on its Board.

4. The terms and conditions of appointment of the Managing Agents and the remuneration payable to them under different heads may be stated. Please state the actual amounts under the different heads in each of the years 1950 to 1953.

5. (a) If you are a Managing Agent, please

(i) give the names of Rubber estates and other concerns managed by you,

(ii) describe the 'group' services rendered by you to these concerns, as for example, in connection with technical, administrative, legal or financial matters.

(b) Do any of the concerns other than Rubber plantation companies under your management render any service to your Rubber plantation companies? If so, what are the services rendered by each such concern to your Rubber plantation companies? Please state the amounts paid by your Rubber plantation companies in the year 1953 to each such concern for such services.

B—Production Technique and Costs

6. Please furnish statement of costs for each estate in proforma 'C' for each of the years 1950, 1951, 1952, and 1953.

7. (a) What percentage of standing Rubber trees in your estate were planted (i) before 1900, (ii) between 1900 and 1910, (iii) between 1910 and 1920, (iv) between 1920 and 1930 and (v) after 1930. For how many more years can the trees of the different age groups be expected to maintain reasonable productivity?

(b) Please state the area in your estate planted with (1) Ordinary seedling, (2) Clonal seedling, and (3) Budding.

8. Please give

- (a) the total area of your estate and the terms on which the land is held whether lease hold or freehold, and the rent or land revenue payable.
- (b) new areas in acres planted during the 10 years ending 1953 on (i) virgin jungle and (ii) reclaimed land.
- (c) areas in acres replanted during the same period.
- (d) planted area in acres abandoned during the period and the reasons therefor.
- (e) estimate of cost incurred by you in (i) new planting and (ii) re-planting, one acre with Rubber and tending it for a period of 8 years. The information may be furnished giving details as shown below:—

YEAR OF PLANTING	COST PER ACRE INCLUDING COST OF TENDING FOR 8 YEARS:— NEW PLANTING		COST PER ACRE INCLUDING COST OF TENDING FOR 8 YEARS:— REPLANTING EXISTING OLD CULTIVATION
	On virgin jungle	On reclaimed land	
	Rs.	Rs.	Rs.
1940			
1945			

NOTE.—If there were no new plantings or re-plantings in your estate in the years 1940 and 1945, figures for the years nearest to these two years in which there were new plantings and re-plantings may be given.

9. What is your estimate of cost under present conditions of planting one acre with Rubber trees and tending it for a period of 8 years. The information may be furnished in the same details as shown under 8 (e) above.

NOTE.—It is assumed that on the average a Rubber tree begins to yield in 8 years after planting.

10. Have you any plans for increasing production by improved methods of tapping, replanting with better planting material, etc.? If so, please give particulars of your plans for the next few years and increased yields expected per acre.

11. (a) What are the main items of stores required for a Rubber estate?
- (b) What procedure do you adopt in appointing your purchasing agents for the important items of stores? Are you, or any firm under your agency, your stores purchasing agent?
- (c) Are there any special difficulties in getting the stores in required quantities and of the required quality? If so, what solution do you suggest?
12. (a) What are the quantities and values of the manure (organic and inorganic) used and the acreage manured in the estate in the years 1950, 1951, 1952 and 1953? (Figures should be given separately for each variety of manure used.)
- (b) In your opinion, have the quantities used been adequate?
- (c) Which manure in your opinion gives the best results and at what cost per acre per annum?

13. (a) Are spraying, dusting or other control measures done against pests or diseases or any other pest control measures undertaken by you? Briefly indicate what they are?
- (b) Are spraying, dusting or other control measures adopted periodically as a routine measure for protection or only when there is an attack by pests or diseases?
- (c) What were the acreage sprayed, dusted or treated in other ways for pest control in each of the years 1950, 1951, 1952 and 1953 and what was the average cost per year per acre sprayed or otherwise treated?
14. (a) Is there a surplus, adequacy or dearth of labour in the region in which your estate is situated? Have you any suggestions to make regarding recruitment and assured supply of labour?
- (b) What was the average number of labourers (Men, Women, Adolescent and Children to be shown separately) employed in your estate in each of the 4 years 1951 to 1954? What was their average attendance during the working days in each year? Please show figures for permanent, temporary and casual labour separately.
15. (a) Of the permanent workers, how many are living on the estate? Are all of them provided with living quarters? If not, what is the percentage of labour not provided with quarters?
- (b) Are there any non-working dependents living on the estate and if so, what is their number?
- (c) What is the type of accommodation provided for labour? What percentage of existing quarters conform to any prescribed scales?
- (d) Is any housing provided for permanent workers not living on the estate?
16. What were the different kinds of wage rates and D. A. paid to workers—men, women, adolescent and children (permanent, temporary and casual)—in the years 1950, 1951, 1952, 1953 and 1954?
17. Are any allowances or other monetary concessions paid in addition to wages and D. A.? If so, detail them.
18. Is any land allotted for personal or family cultivation to Labour in your estate? If so, what is the total area of such land in your estate and average area allotted per family? Is any charge levied for the use of such land by Labour?
19. Are any bonuses paid to Labour? If so, what are the rates and kinds of such bonuses?
20. Please furnish details of medical facilities available to Labour.
21. Are any other labour welfare benefits provided? If so, give details together with total amounts spent in each of the last three years.
22. (a) Is there any period during which the workers are laid off?
- (b) Are any wages, other allowances or compensation paid during this period? If so, furnish the number of workers laid off and amounts paid during the years 1950, 1951, 1952, and 1953.
23. (a) Please furnish the following particulars regarding
 - (1) Managerial Staff including Deputy and Assistant Managers; and

- (2) Senior staff other than Managerial staff, employed in your estate in the years 1939, 1946 and 1954:

(i) Number employed, and

(ii) Rates of pay, allowances and concessions in cash and kind (such as pension, provident fund, free quarters or house allowance, marriage allowances, child allowance, conveyance allowances, servant allowances or free servant, leave, etc.)

[Particulars for Indian and non-Indian personnel to be shown separately.]

- (b) Are any commissions paid to the Managerial staff and Senior staff other than Managerial staff? If so, what are the rates at which commissions are paid? What were the actual amounts paid in the years 1950, 1951, 1952 and 1953? Please furnish particulars in the form given below:—

Amount paid as commission to

Year	Managerial staff including Deputy and Assistant Managers	Senior staff other than Managerial staff	Total
1950			
1951			
1952			
1953			

- (c) Please furnish the following particulars regarding the supervisory staff like Maistries and clerical, technical and inferior staff (*i. e.*, Durwans, Peons, Chowkidars, etc.) employed in the estate.

(i) Number employed,

(ii) Rates of pay and other allowances and concessions.

24. What is the basis on which depreciation is provided in your accounts in respect of your buildings, plant and machinery and other accessories?

25. Have you been providing depreciation including provision for rehabilitation of planted acreage and what is the total depreciation provided so far? Is the amount provided for depreciation funded separately?

26. How has the depreciation fund been used from time to time? How is it invested?

27. What is the depreciation allowed by the Income-tax authorities in the last four years 1950, 1951, 1952 and 1953?

(Separate figures of depreciation for normal, additional normal, initial and multi-shift allowances should be given.)

28. (a) Do the value of fixed assets shown in your books represent actual costs?

(b) Was any revaluation made of any of your assets in the past? If so, give particulars of the revaluation.

29. (a) Have you adequate facilities for processing the rubber tapped in your estate into sheets or other forms suitable for marketing?
- (b) Do your factory buildings and machinery require extension, improvement or renewal? If so, have you any schemes for it?
- (c) Please indicate any special difficulties you may have in the matter of maintaining or improving your manufacturing facilities.
30. If you do not have necessary facilities for the processing of the rubber tapped in your estate, please indicate what arrangements you have for getting it processed?
31. (a) Please indicate the means of transport you use for the transport of your produce to the place of sale and the rates of transport charges per 100 lbs. for each of the last four years 1950 to 1953.
- (b) Please indicate any special difficulties you are experiencing in the matter of transport and your suggestions for overcoming them.

C—Methods of Financing Rubber Estates

32. (a) What are your present needs of funds for the improvement or renovation of the permanent assets of your Rubber estates, such as land including planting, buildings, machinery and plant, installation and equipment and other assets to maintain and continue the working of the estates on sound lines? Indicate purposes for which the funds are required.
- (b) Please give an estimate of your requirements with reference to any plans and proposals you may have.
- (c) If the expenditure is to be spread over a number of years, please indicate the proposed rate of expenditure each year for the next 5 years.

NOTE.—Increase of expenditure attributable to the implementation of the Labour Act, 1951 (LXIX of 1951) may please be shown separately to the extent possible.

33. (a) What is your estimate of your normal requirements of working capital for the production and marketing of your crop every year?
- (b) What was the expenditure under this head during each of the last three years and what is the estimated expenditure for the next year?
34. (a) What are the sources from which you ordinarily obtain funds for:
- (i) capital expenditure (for effecting additions and improvements to your permanent assets), and
- (ii) normal working expenses.
- (b) Are they
- (i) your own resources like reserves?
- (ii) loans or advances from Managing Agents?
- (iii) loans or advances from Commercial Banks, Indian and non-Indian?
- (iv) advances from dealers?

(v) advances from other agencies?

(c) *Please indicate the amounts applied for and received under these heads during the last three years to show their relative importance.*

35 Please indicate

- (a) the procedure usually followed by you to get the finance you need.
- (b) nature of the securities usually required by Banks and others for different kinds of loans.
- (c) nature of the difficulties, if any, experienced in getting funds as and when required.

36. Please state the rates of interest and any other charges you have to pay for these loans. Have you any special difficulties or complaints in this respect?

37. What are your suggestions for improving and developing sources of finance for the Rubber plantation Industry ?

D—Marketing of Rubber

38. Please indicate briefly the procedure adopted by you for the sale of your rubber. If any portion is sold directly to manufacturers, please indicate the percentage of your crop in the years 1952 and 1953 which were so sold.

39. In your opinion under the present system of marketing of rubber in India, is the producer able to get the full benefit of the prices fixed by Government for rubber? If not, what are the reasons for it and what are your suggestions for improvement of the marketing organisation to enable the growers to get the full benefit of the prices fixed after allowing for legitimate charges? Is a system similar to the present system of marketing coffee through the Coffee Board desirable or feasible for rubber? Please explain the reasons in support of your view.

40. What are your suggestions for alleviating the distress said to be caused periodically by the accumulation of stocks with the producers?

E—Miscellaneous

41. Besides income from Rubber, do you derive any other income from your estate? If so, please give details. How are they shown in your accounts?

Proforma 'A'—Rubber

[To be filled-up by companies (public as well as private) engaged in producing Rubber— see question A (1) of Questionnaire 1.]

1. Name and address of the Company.

2. Whether it is a Private Limited or Public Limited Company, and whether incorporated in India with Rupee Capital or outside India with Sterling or other foreign Capital.

3. If your affairs are managed by Managing Agents or Secretaries, please indicate the name and address of the Managing Agents or Secretaries.

4. Name, location and registered ** acreage of the Rubber estates in India owned by or under lease of the Company. (If the Company also owns Rubber estates outside India, the location and area under Rubber of these estates may please be furnished separately.)

†5. A. Capital

Authorised Capital Paid-up Capital

- (i) at the time of formation
of the Company.
- (ii) on 30th June, 1939.
- (iii) on 30th June, 1954.

If any bonus shares were issued since 1939, please give particulars.

If the company took over the assets of previously existing concerns, the names of the concerns, particulars of the assets taken over and the terms on which they were taken over should be mentioned.

- NOTE.—(a) If your Company has, besides Rubber planting industry, other industries also, and if your capital cost includes the capital invested in the other industries, only that portion of the authorised and paid-up capital which relates to Rubber industry, should be given.
- (b) In the case of Companies having business interests both in India and outside, information may please be furnished in 2 columns, one for the Company as a whole and the other showing the portion of the capital attributable to the Indian Rubber estates of the Company.
- (c) The total amounts of the different types of shares like Ordinary Shares, Preference Shares etc. should be shown separately.

*B. Value and kind of debenture outstanding on 30-6-54 may be furnished.

†6. Total face value of shares and debentures separately held by

on 30-6-39 on 30-6-54

- (i) Managing Agents or Secretaries.
- (ii) Institutional investors (*e. g.*
Insurance Companies, Invest-
ment Trusts, Banks etc.)
- (iii) Others

NOTE.—Under (iii) information about the number and value of shares and value of debentures held by Indians and non-Indians should be shown separately. In the case of Sterling Companies having business interest both in India and outside, information may please be given in two columns, one for the company as a whole and the other showing the share values attributable to the Indian estates of the Company.

7. The total amount and amount per cultivated acre of reserves held by the Company on

- (i) 30th June, 1939.
- (ii) „ „ 1946.

** By Registered acreage is meant the acreage registered by the estate with the Indian Rubber Board.

† In furnishing particulars of the share structure and debentures of the Company, those issues on which dividends are tax-free should be separately indicated.

* The rates of interest carried by the debentures should be given. If the debentures are in Sterling, they should be so indicated.

(iii) 30th June 1951.

(iv) „ „ 1952.

(iv) „ „ 1953.

(vi) „ „ 1954.

NOTE.—(a) In the case of Companies which have other industries besides the Rubber plantation industry, if the reserves are for industrial operation as a whole, the amounts attributable to the Rubber plantation industry alone should be given under the above headings. Similarly, Companies having estates outside India should please indicate the amount of reserves available for their Indian Rubber estates.

(b) The nature of the reserves, whether general or specific, and if the later, the amounts under specified heads should be mentioned.

(c) If the Company has any well-defined policy in the creation, making additions to and utilisation of reserves, it may be indicated.

8. The dividends paid on the different kinds of shares for the years and under the heads shown below:—

Year	Percentage paid on face value of shares	Percentage paid on mean market value of shares	Dividend yield per acre
1939	.	.	.
1946	.	.	.
1951	.	.	.
1952	.	.	.
1953	.	.	.
1954	.	.	.

9. The number of Indian and non-Indian Directors on the Board of your Company as on 30th June, 1954.

10. If your affairs are managed by Managing Agents or Secretaries, has there been any change of Managing Agency since 1939? If so, please give particulars.

11. Any other information regarding capital investment in your estate and returns on capital which you may like to mention.

Proforma 'B'—Rubber

[To be filled up by individuals and concerns other than Companies producing Rubber —See Question A 1 of Questionnaire 1.]

1. Name of the concern or individual owning Rubber estates. In the case of partnership concerns, give the names of the partners.

2. Nationality of the owners. (If the owners belong to different nationalities, please give particulars.)

3. (a) Name, location and registered ** acreage of the Rubber estates.

(b) Whether the owners reside in the estate and manage it. If not, state the agency employed for management.

4. Value of capital invested by the owners in the Rubber estates. (If accurate figures are not available, an estimate of the investment in fixed assets like land, buildings, plant and machinery should be given.)

5. Whether any money was raised by loans from banks or other sources for the acquisition of the estate? If so, please indicate the original amount of the loan, the rate of interest and the amount still outstanding.

6. If there has been change of ownership of the estate within the last 15 years, the nationality of the previous owners, date of transfer of ownership and terms and conditions of transfer may be indicated.

7. The net profits after providing for depreciation and taxation earned from your Rubber estates in

1939
1946
1950
1951
1952
1953

Proforma 'C'—Rubber

*Statement showing expenditure incurred in the Production of Rubber during
1950—1953*

[To be filled up by each Rubber estate or its Management—see question
No. B 6 of Questionnaire I.]

Name of estate.....
Year or years of establishment of the estate.....
Mean elevation of the estate.....
Name of owners.....

1950 1951 1952 1953

Total acreage of estate.....

Acreage under Rubber	Bearing	Ordinary	.	.	.	..	..	..	..
		Budded	.	.	.	..	..	..	..
		Clonal	.	.	.	..	..	..	..
	Non-bearing	Ordinary	.	.	.	..	..	..	..
		Budded	.	.	.	..	..	..	..
		Clonal	.	.	.	..	..	..	..

**By registered acreage is meant the acreage registered by the Estate with the Indian Rubber Board.

Acreage suitable for Rubber cultivation but not yet planted	.	..	..	..	..
Crop in Lbs. for the year	.	.	.	.	..

1950 1951 1952 1953 1950 1951 1952 1953

(In Rupees) (In Rupees)

A—Cultivation

I. General field works	.	.	.	.	..	..	..	..
II. Filling in vacancies including cost of nursery	.	.	..	..	..	..	..	..
III. Manuring :								
Cost of chemical manures	..	..	..	..
Labour for application	..	..	..	..
Cost of organic manure and application.	..	..	..	..
	<hr/>			
IV. Spraying and dusting :								
Cost of spraying and dusting materials.	..	..	..	..
Cost of spraying equipment and accessories.	..	..	..	..
Cost of application	.	..	..	..	..
	<hr/>			
V. Other pest control measures:								
Cost of materials	.	.	..	..	..	..
Cost of equipment and accessories, if any.	..	..	..	..	..
Cost of application including labour.	..	..	..	..	..
	<hr/>							
					
						<hr/>		
					TOTAL	..	..	..
						<hr/>		
B—Charges for Collecting Rubber								
VI. Tapping and collection	.	.	.	.	..	..	..	..
VII. Other sundry charges (like cups, buckets, miscellaneous tools for tapping, transport in the estate etc.)					..	..	..	..
						<hr/>		
					TOTAL	..	..	..

C—Charges for processing**VIII. Salaries and Wages:**

Salaries of factory staff	.	.	.	.	.	..	..	..	..
Wages of factory labour	.	.	.	.	.	..	..	..
IX. Coal and other fuel, power and lighting	.	.				..	..	..	..
X. Maintenance of factory buildings, plant and machinery						..	..	..	..
XI. General stores and local purchases	.	.	.	.	.	..	..	..	..
XII. Other charges	.	.	.	.	.	..	..	..	..

TOTAL
--------------	---	--	--	--	--	----	----	----	----

D—General Charges

XIII. Upkeep of buildings, roads, bridges and other assets excluding factory and its machinery

XIV. Depreciation

XV. Cost of recruitment and Medical facilities:

Recruiting expenses	.	..	..	..	..
Medical Benefits	.	.	..	..	..
Other labour benefits	.	..	..	..	..
					

XVI. Bonus—other than to labour :

Bonus to staff	.	.	..	..	..	..
Commission to Managers and other senior staff			..	..	..	..
Commission to Managing Director or Agents and Agency allowance	.	..	..	..	..	..	..	..	..

XVII. Bonus to labour

XVIII. Salaries and allowances to staff :

Estate	.	.	.	..	..	..	..
Head Office	.	.	.	..	..	..	..
						

XIX. General and other office expenses :

Estate	.	.	.	..	..	..	..
Head Office	.	.	.	..	..	..	..
						

TOTAL
--------------	---	--	--	--	--	----	----	----	----

E—Packing

XX. Cost of gunnies and other materials for packing	.	..	..	..	..
XXI. Labour for packing	.	.	.	.	..
TOTAL	.	..	..	..	..

F—Selling Expenses

XXII. Freight and transport charges to Sale centres in India.	.	.	.	.	..	..	..	..
XXIII. Stock and transit insurance	.	.	.	.	..	..	..	..
XXIV. Other forwarding and selling expenses (Sale charges, brokers' commission, etc.).	.	.	.	.	..	..	..	..
TOTAL	.	..	..	..	..	..	..	..
Total cost of production	.	.	.	.	..	..	..	..
Cost per acre	.	.	.	.	..	..	..	..
Cost per 100 lbs.	.	.	.	.	..	..	..	..

G—Duties and Cess

XXV. Excise duty and other cesses
-----------------------------------	---	---	---	---	----	----	----	----

H—Other Expenses

XXVI. Interest paid on loan or debentures or to Financing House.	..	..	..	..	..	..	..	..
XXVII. Income-tax or other taxes on income	.	.	.	.	..	..	..	..
TOTAL	.	..	..	..	..	..	..	..

I—Capital Expenditure

XXVIII. Cost of planting on virgin jungle :

I year	.	.	..	..	..	..
II „	.	.	..	..	..	..
III „	.	.	..	..	..	..
IV „	.	.	..	..	..	..

and so on up to bearing

Cost of replanting reclaimed land :

I year	.	.	..	..	..	..
II „	.	.	..	..	..	..
III „	.	.	..	..	..	..
IV „	.	.	..	..	..	..

and so on up to bearing.

Cost of replanting existing old cultivation :

I	Year	.	.	..	..	..	..
II	„	.	.	..	..	..	..
III	„	.	.	..	..	..	..
IV	„	.	.	..	..	..	..
				<hr/>			
and so on up to bearing.				..	..	..	..
Other capital expenditure :							
Building	.	.	.	..	..	..	..
Machinery	.	.	.	..	..	..	..
Other items	.	.	.	..	..	..	..
				<hr/>			
			
				<hr/>			
TOTAL				.	..	..	..
				<hr/>			

Instructions for filling up the Proforma 'C' regarding cost of production of Rubber

The required information should be furnished for the 4 years 1950, 1951, 1952 and 1953 separately against each item as shown in Proforma.

The costs should be shown under the broad groups A, B, C, D, E and F. The expenditure should further be sub-divided as far as possible under the different sub-heads shown under each group. The cost of labour wherever shown should include both basic wages and dearness allowance.

Groups G and H do not relate to cost of production and no part of any expenses covered by these groups should be included in the cost under any of the groups referred to in the previous paragraph.

If any expenses incurred in an estate cannot properly be grouped under any of the items, such expenses may be shown separately but properly described.

In an estate growing other crops like coffee or tea in addition to rubber expenses common to the different crops should be allocated to each group on some reasonable basis. Examples of such expenditure are salaries and wages, other expenses, general upkeep, etc.

The following short notes will indicate the nature of the expenses that should be included in each of the items in the Proforma.

A—Cultivation

I. *General Field Works* : All expenses on account of weeding, trenching, repairing wire fences, making shade tree nurseries, uprooting old and dead trees etc. will be included here. The cost will comprise mostly labour charges.

II. *Filling-in vacancies including cost of nursery* : All expenses on account of cost of rubber seeds for in-filling, nurseries for in-filling, and filling-in vacancies will be included here. Expenses in respect of large-scale supplying, replanting and new extensions should not be included here but under Re-planting or New Extensions, as the case may be.

III, IV and V. *Manuring, spraying and dusting and other pest control measures* : The cost of materials and the cost of labour incurred in applying it to the estate should be separately shown. The cost shown should represent the cost of materials actually applied to the estate in the respective years.

B—Charges for Collecting Rubber

VI and VII. Tapping and collection and other sundry charges including transport of Rubber to factory: This will include wages paid for tapping and miscellaneous expenses incidental thereto such as cost of cups etc.

C—Charges for Processing

VIII. *Salaries and Wages* : Wages and dearness allowance for processing will be shown here.

IX. *Coal and other fuel, power and lighting*: The cost of coal and other fuel will be shown here.

X. *Maintenance of factory buildings, plant and machinery* : The cost of maintenance of the factories including the plant and machinery in them will be shown here.

XI. *General stores and local purchases* : The cost of sundry items of stores required will be grouped under this head.

XII. *Other charges* : The expenditure on upkeep of motor lorries and other conveyances here.

D—General Charges

XIII. *Up-keep of buildings, roads, bridges and other assets excluding factory and its machinery*. All expenditure on ordinary repairs and maintenance of various assets owned by the estate should be included here. The expenditure on repairs and running of the factory should be shown under 'Charges for Processing. Expenditure of a capital nature should not be included here but shown later under Capital Expenditure.

XIV. *Depreciation* : The depreciation provided by the estate should be mentioned here. If the rates adopted by the estates are different from income-tax rates, the rates actually adopted should be mentioned.

XV. *Recruiting expenses and Medical and Labour Benefits* : This will include Recruiter's pay, commission and fares, cost of new labourers, local recruiting expenses, repatriation expenses, settling allowances, cost of hospital facilities, labour welfare expenses, maternity benefits and holiday pay. The cost of supplying cheap foodgrains or other similar concessions should not be included here but treated as part of D. A. and included under labour cost wherever shown.

XVI. *Bonus other than to Labour* : Under this will come amounts paid to Managerial staff and Directors, and Agency allowance and commission paid to other managerial staff, but bonus paid to Labour will be shown under item XVII

XVII. *Bonus to Labour* : Under this will be shown bonus paid to Labour.

XVIII. *Salaries and allowances to staff* : Under Estate staff will be included the salaries, allowances and provident fund contributions in respect of Superintendent, Manager, Engineer, Assistant Manager, Head Clerk, other clerks, Writers and Storekeepers, Jamadar, Bungalow Chowkidars, Dak runners, Sweepers, Gardners, staff servants.

XIX. General and other office expenses : Under this head will be shown expenses on account of land rent, municipal tax and other similar taxes, office expenses like postage, stationery, etc.

E—Packing

XX and XXI. Cost of gunnies and other materials and Labour for packing: Under these heads which are self-explanatory will be recorded the cost of packing.

F—Selling expenses

XXII to XXIV. Freight and transport charges, stock and transit insurance, other forwarding and selling expenses: This group covers all expenses incurred in transporting the crop to the market, storage and other handling charges, commission paid to the Selling Agents, the cost of selling organisations, if any, etc. The expenses should be further sub-divided and shown against each of the relevant items under the group.

Total cost of production: Total cost of production is the figure obtained by adding the figures under the groups A to F.

Cost per cultivated acre : Cost per cultivated acre is the figure obtained by dividing the total cost of production for a year by the acreage under rubber (bearing and non-bearing) of the estate in that year.

Cost per 100 lbs.: Cost per 100 lbs. is the figure obtained by dividing the total cost of production in a year by the weight in lbs. of Rubber produced in that year and multiplying the result by 100.

G—Duties and Cess

XXV. Under this head will be included expenditure on account of excise duty, etc.

H—Other Expenses

XXVI. Interests on loans and debentures : Any interest paid on long-term loans or debentures advanced by Agency Houses should be shown here.

XXVII. Income-tax etc. : This should include all taxes on incomes, such as income-tax, super tax, corporation tax, agricultural income-tax, etc.

I—Capital Expenditure

XXVIII. Capital expenditure should not be included in the cost under any of the groups A to F but shown here. In the case of replanting or new clearings the expenditure of a year should be shown here against the relevant column according as the expenditure relates to I year, II year and so on. The number of acres to which the expenditure relates and the total expenditure in the year should be shown.

In the case of other capital expenditure, the actual expenditure incurred under each head like Buildings, Labour Lines, Plant and Machinery, etc., should be shown separately. A reasonable share of general expenses of the estates should be included under the various capital items wherever the work has been done by the estate under its own supervision.

Questionnaire II—Rubber

[To be answered by Rubber Manufacturers and Rubber Manufacturers' Associations.]

1. Is it possible to estimate the increase in demand for Rubber from the Indian Rubber manufacturing industry during the next 5 years ? If so, please give your estimate.
2. (a) Please furnish figures of quantities of Rubber grade-wise used by you during 1950, 1951, 1952, 1953 and 1954. Quantities of imported Rubber, reclaimed Rubber and synthetic Rubber, if any used, may please be shown separately.
(b) Have you facilities for extraction of "reclaimed Rubber" ? If so, please state the quantities of "reclaimed Rubber" produced by you in each of the years 1951 to 1954. How do you utilise the "reclaimed Rubber" produced by you ?
3. Are your factories working now to full installed capacity ? If not, please indicate the percentage of your unused capacity in 1951, 1952, 1953 and 1954. Have you any programme for expansion of production ? If so, please indicate particulars showing the probable increase in consumption of Rubber likely to result as a consequence of the expansion.
4. Are there any difficulties which stand in the way of the development of the Indian Rubber manufacturing Industry ? If so, what are they ? What remedies would you suggest ?
5. In your view, to what extent is the use of synthetic Rubber likely to affect the world demand for natural Rubber ?

Questionnaire III—Rubber

[To be answered by the Indian Rubber Board and Rubber Grower's Associations.]

1. In your view, should expansion of production of raw Rubber in India be related to the manufacturing capacity available (and likely to be available) in the country or is there scope for any large-scale export of raw Rubber from India if production is much in excess of manufacturing capacity in the country ?
2. In your opinion, is it desirable to increase production of Rubber in India by extension of cultivation in new areas ? If so, is suitable land available ? Can you give an approximate estimate of the acreage of land likely to be available for expansion of Rubber cultivation and the regions where they are situated ?
3. In your opinion, what are the possibilities of increasing production from existing areas by replanting, improved methods of cultivation and tapping and other means ?
4. In your view, what are the lines on which the Rubber Plantation Industry in India could be further strengthened and developed ?
5. Please furnish with necessary details an estimate of the increase in production costs that is likely to result from the implementation of the Plantation Labour Act.

No. 12 (8)-PIC/54.

GOVERNMENT OF INDIA

PLANTATION INQUIRY COMMISSION

Telegrams : "Plantation" New Delhi

Block No. 9, Room No. 343,
Shahjehan Road Hutments,

New Delhi, the September, 1954.

To

All Estates.

SUBJECT :—*Plantation Inquiry Commission—Questionnaire I—RUBBER.*

Sir,

I am directed to invite your attention to the Notification No. S. R. O. 1261, dated the 17th April, 1954, issued by the Government of India in the Ministry of Commerce and Industry, which contains the terms of reference and the composition of the Plantation Inquiry Commission. The Commission have prepared a Questionnaire I for the Rubber Plantation industry to be answered by Managing Agents, Companies (Public Limited and Private Limited), proprietary concerns and individuals owning or having under their management Rubber estates. A copy of the Notification and of the Questionnaire I referred to, are enclosed with the request that your answers may be furnished not later than the 15th November, 1954. It will facilitate the Commission's work if the reply to each question is given in separate sheets typed on one side only. Seven spare copies of the replies may also kindly be furnished.

2. If there are under your management more than one Rubber Company and where the answer to any particular question can be conveniently given so as to cover all your Companies, it is enough if you send one reply covering all your Companies indicating that the answer applies to all of them. But answers to those questions which will necessarily vary from Company to Company and the particulars to be furnished for proformas 'A' or 'B' as the case may be, should be given for each Company separately. Answers to proforma 'C' should be furnished for each estate, but if a Company has a group of estates in the same locality, the particulars for proforma 'C' may be furnished for the group of estates as a whole if that is more convenient. In such cases, an indication to that effect may be given in the proforma. It is requested that special care may be taken in giving all the particulars called for in proforma 'C' and in the details indicated therein. The instruction for filling-up proforma 'C' attached to the form will, it is hoped assist you in furnishing the several items of expenditure under the appropriate heads. Wherever statistical data have been called for it is requested that they may be furnished fully. If you desire that the replies you furnish to any of the questions are to be treated as confidential, or that they should not be quoted, they may be so indicated in your replies. If there are any points pertaining to the Rubber Plantation Industry not covered by the Questionnaire on which you have information and would like to offer your comments, you are welcome to do so in separate notes.

3. The term "year" used in the Questionnaire as well as in the proforma refers to the calendar year. In the case of some Companies, their accounts may not be maintained calendar-year-wise. For such Companies, the following procedure may be adopted in answering the Questionnaire :

If the accounting year ends on or before the 30th June, the year's figures may be incorporated in the statement of the preceding calendar year. If the accounts are closed in the year subsequent to 30th June, the figures may be taken as referring to that calendar year, i.e., for a Company whose accounts are closed on the 31st May 1951, the figures from the accounts for that year will be shown in the return for 1950, and for a Company whose accounts are closed on 31st July 1951 the accounts for the year will be shown in the return for 1951. Likewise, wherever data have been asked for as on the 30th June, if information as on 30th June is not available, that relating to a date nearest to the 30th June which is available may be given.

4. Questionnaire I is intended for the special attention of Managing Agents, Companies (Public as well as Private), proprietary concerns, and individuals owning or having under their management Rubber estates but others who may be in a position to furnish replies can very well do so. Copies of the Questionnaire and of the Notification can be had from the office of the Secretary of the Commission at Room No. 343, Block No. 9 Shahjehan Road Hutments, New Delhi.

Yours faithfully,

(T. S. SESHUKUTTY.)

Secretary.

No. 12(8)-PIC/54/A.

GOVERNMENT OF INDIA

PLANTATION INQUIRY COMMISSION

Telegrams : "Plantation",
New Delhi.

Block No. 9, Room No. 343,
Shahjehan Road Hutments,

New Delhi, September, 1954.

To

The Rubber Manufacturers and the Rubber Manufacturers' Associations.

SUBJECT:— *Plantation Inquiry Commission—Questionnaires I to III—RUBBER.*

Sir,

I am directed to invite your attention to the Notification No. S.R.O. 1261, dated the 17th April, 1954, issued by the Government of India in the Ministry of Commerce and Industry, which contains the terms of reference

and composition of the Plantation Inquiry Commission. A copy of the Notification and a copy of Questionnaire I—Rubber, prepared by the Commission, are enclosed. Questionnaire I—Rubber, is intended primarily to be answered by Managing Agents, Companies (Public Limited and Private Limited), Proprietary concerns and individuals owning or having under their management Rubber estates. It also includes certain questions—Questions Nos. 38—40—to which answers should be furnished by Rubber Manufacturers and Rubber Manufacturers' Associations. You are accordingly requested to furnish answers to these questions. You are also at liberty to answer any other questions in the Questionnaire in which you are interested.

2. Questionnaire II—Rubber, which has been prepared by the Commission, is intended for the special attention of Rubber Manufacturers and Rubber Manufacturers' Associations. A copy of this Questionnaire is enclosed with the request that your answers to both the questionnaires may be furnished not later than the 15th November, 1954. A copy of Questionnaire III—Rubber, which is intended particularly for the Rubber Board and Rubber Growers' Associations is also enclosed. Your answer to question I in Questionnaire III will also be welcome. It will facilitate the Commission's work if the reply to each question is given in separate sheets typed on one side only. Seven copies of the replies may also kindly be furnished. If you desire that the replies you furnish to any of the questions are to be treated as confidential or that they should not be quoted, they may be so indicated in your replies. If there are any other points pertaining to the Rubber Plantation and Manufacturing industry not covered by the questionnaires on which you have information and would like to offer comments, you are welcome to do so in separate notes.

3. Additional copies of the Questionnaires and of the Notification can be had from the office of the Secretary of the Commission at Room No. 343, Block No. 9, Shahjahan Road Hutments, New Delhi.

Yours faithfully,
(T.S. SESHUKUTTY),
Secretary.

No. 12(8)-PIC/54/B

GOVERNMENT OF INDIA

PLANTATION INQUIRY COMMISSION

Telegrams: "Plantation",
New Delhi.

Block No. 9, Room No. 343,
Shahjahan Road Hutments,

New Delhi, the September, 1954.

To
Dealers.

SUBJECT:—*Plantation Inquiry Commission—Questionnaires—I, II and III—RUBBER.*

Sir,

I am directed to invite your attention to the Notification No. S.R.O.1261, dated the 17th April, 1954, issued by the Government of India in the Ministry of Commerce and Industry, which contains the terms of reference and the

composition of the Plantation Inquiry Commission. The Commission have prepared 3 Questionnaires, Questionnaires I, II and III—Rubber for the Rubber Plantation Industry, copies of which are enclosed.

2. Your replies to the problems raised in questions 34 to 40 of the Questionnaire I—Rubber, and questions 1 to 4 in Questionnaire III—Rubber, are requested. The replies may be sent by the 15th November, 1954, with seven spare copies, the answer to each question being typed in separate sheets on one side only.

3. If you have any observations to make on the other questions of the Questionnaires and on any point concerning the Rubber Trade and the Rubber Plantation Industry not covered by any of the Questionnaires, you may do so in separate notes or memoranda. If you desire that any information which you may furnish is to be treated as "Confidential", or should not be quoted, it may be so indicated in your reply.

4. Additional copies of the Questionnaires can be had from the Office of the Secretary of the Commission at Block No. 9, Room No. 343, Shahjehan Road Hutments, New Delhi.

Yours faithfully,

(T. S. SESHUKUTTY)

Secretary.

No. 12(8)-PIC/54/C

GOVERNMENT OF INDIA

PLANTATION INQUIRY COMMISSION

Telegrams: "Plantation",
New Delhi.

Block No. 9, Room No. 343,
Shahjehan Road Hutments,

New Delhi, the 25th, September, 1954.

To

(a) The Chambers of Commerce.

(b) Trade Unions:

The Hind Mazdoor Sabha, Bombay.

The United Trades Union Congress, Calcutta.

The Indian National Trade Union Congress, New Delhi.

The All-India Trade Union Congress, New Delhi.

SUBJECT:—*Plantation Inquiry Commission—Questionnaires—I, II and III—RUBBER.*

Sir,

I am directed to forward to you a copy of the Notification No. S.R.O. 1261, dated the 17th April, 1954, issued by the Government of India in the Ministry of Commerce and Industry, which contains the terms of reference

and the composition of the Plantation Inquiry Commission and a copy each of Questionnaires I, II and III—Rubber, prepared by the Commission for the Rubber Plantation Industry. Copies of these Questionnaires have been sent to Managing Agents, Rubber Plantation Companies and other Rubber Estate Proprietors, Rubber Dealers, Rubber goods manufacturers, Organisations of Producers and others concerned, to furnish detailed replies to questions with which they are concerned.

2. If you desire to furnish replies to any of the questions of the Questionnaires, you may do so. The replies may be made in separate sheets for each question typed on one side only. Seven spare copies of the replies, if any, may also be furnished. If there are any other points concerning the Rubber Trade and Rubber Plantation Industry covered by the Commission's terms of reference on which you would like to send your views, you may do so by means of separate notes or memoranda.

3. All replies may please be sent so as to reach this office by the 15th November, 1954.

Yours faithfully,

(T. S. SESHUKUTTY),

Secretary.

No. 12 (8)-/PIC/54/D

GOVERNMENT OF INDIA

PLANTATION INQUIRY COMMISSION

Telegrams: "Plantation",
New Delhi.

Block No. 9, Room No. 343,
Shahjehan Road Hutments,

New Delhi, the September, 1954.

To

Rubber Growers' Associations.

SUBJECT:—*Plantation Inquiry Commission—Questionnaires I, II and III—RUBBER.*

Sir,

I am directed to invite your attention to the Notification No. S.R.O. 1261, dated the 17th April, 1954, issued by the Government of India in the Ministry of Commerce and Industry, which contains the terms of reference

and the composition of the Plantation Inquiry Commission. The Commission have prepared 3 Questionnaires, Questionnaires Nos. I, II and III—Rubber, for the Rubber Plantation Industry. Five copies of the Questionnaires and of the letter with which Questionnaires I and II—Rubber, have been forwarded to the Rubber Plantation Companies and others, are enclosed.

2. Questionnaire I—Rubber, is intended to be answered in particular by Managing Agents, Companies (Public Limited and Private Limited), proprietary concerns, and individuals owning or having under their management Rubber Estates. In the case of estates which are under Managing Agents and Companies, copies of Questionnaire I—Rubber, have been sent to the Managing Agents and Companies with the instructions that they may, if they so choose, furnish a consolidated reply for all the estates under them except statistical data and proformas “A” and “C”—Rubber, which have to be answered separately for each estate under their management. In the case of proprietary estates and partnership concerns, copies of the Questionnaire have been forwarded only to those whose acreage under Rubber is 100 and above. The number of estates with acreage under Rubber Planting below 100 being very large, the Commission propose to send Questionnaire only to a selected few of them so that from the replies received a good estimate could be made of relevant factors concerning the small holdings in the Industry. It is therefore requested that a list of a few representative estates owned by individuals and partnership concerns with acreage below 100 in your Associations’ membership may be furnished, who in your estimate will readily furnish replies to the Questionnaire.

3. Questionnaire II—Rubber, has been forwarded to Rubber Manufacturers and Rubber Manufacturers’ Associations.

4. Your replies are requested to Questionnaire III—Rubber (copy enclosed), and also to the problems raised in questions Nos. 9, 10, 11(a) and (c) and 31 to 40 of Questionnaire I—Rubber, and question Nos. 1 and 5 of Questionnaire II—Rubber. It is requested that the replies may be sent by the 15th November, 1954, with seven spare copies, each question’s answer being in separate sheet typed on one side only.

5. If you have any observations to make on the other questions of the Questionnaires and on any point concerning the problems of the Rubber Plantation Industry not covered by any of the Questionnaires, you are welcome to do so in separate notes or memoranda. If you desire that any information which you may furnish is to be treated as “Confidential” or should not be quoted, it may be so indicated in your reply.

6. Additional Copies of the Questionnaires can be had from the office of the Secretary of the Commission at Room No. 343, Block No. 9, Shahjehan Road Hutments, New Delhi.

Yours faithfully,

(T. S. SESHUKUTTY)

Enc: As stated.

Secretary.

No. 12(8)-PIC/54/E

GOVERNMENT OF INDIA

PLANTATION INQUIRY COMMISSION

Telegrams : "Plantation",
New Delhi.

Block No. 9, Room No. 343,
Shahjehan Road Hutments.

New Delhi, 21st September, 1954.

To

State Governments.

SUBJECT:—*Plantation Inquiry Commission—Questionnaires I, II and III —RUBBER.*

Sir,

I am directed to invite your attention to the Notification No. S.R.O. 1261, dated the 17th April, 1954, issued by the Government of India in the Ministry of Commerce and Industry, which contains the terms of reference and the composition of the Plantation Inquiry Commission. The Commission have prepared three Questionnaires, Questionnaire I—Rubber, to be answered in particular by Managing Agents, Companies (Public Limited and Private Limited), proprietary concerns and individuals owning or having under their management Rubber Estates, Questionnaire II—Rubber, to be answered by Rubber Manufacturers and Rubber Manufacturers' Associations and Questionnaire III—Rubber, to be answered by the Indian Rubber Board and Rubber Growers' Associations. Copies of the Notification and of the Questionnaires referred to are enclosed.

2. It will help the Commission if information on some of the Questions which are of a general nature is furnished also by the State Governments concerned. It is therefore requested that your Government's replies to the problems raised in questions 14, 20, 31 and 37 of Questionnaire I—Rubber, and questions 1 to 4 of Questionnaire III—Rubber, may be furnished to the Commission as early as possible with seven spare copies typed on one side only. If your Government have any observations to make with reference to other questions in the different Questionnaires, such observations will be most welcome. If there are any aspects of the Industry covered by the terms of reference of the Commission but not included in the Questionnaires and on which your Government may have material to furnish or observations to make, they may kindly do so. If any part of the replies furnished is desired to be treated as Confidential, an indication to that effect may be furnished in the replies.

3. After the Questionnaires have been issued, the Commission will have a tour of the plantation areas when they hope, it would be possible for them to meet the Representatives of your State Government and ascertain their views on various aspects of the industry.

Yours faithfully,

(T. S. SESHUKUTTY),

Secretary.

No. 12(8)-PIC/54/F

GOVERNMENT OF INDIA

PLANTATION INQUIRY COMMISSION

New Delhi, the 18th September, 1954.

To

The Rubber Production Commissioner,
Indian Rubber Board,
Kottayam.

SUBJECT :—*Plantation Inquiry Commission Questionnaires I, II and III—RUBBER.*

SIR,

I am directed to forward to you a copy of Notification No. S.R. O. 1261, dated the 17th April, 1954, issued by the Government of India in the Ministry of Commerce and Industry, which contains the terms of reference and the composition of the Plantation Inquiry Commission and a copy each of Questionnaires I, II and III—Rubber, prepared by the Commission on the Rubber Plantation Industry. Copies of Questionnaire I—Rubber, have been forwarded to the Managing Agents, Companies (Public Limited and Private Limited), Proprietary concerns and individuals who own or have under their management Rubber estates, Rubber Growers' Associations, State Governments and a few others for furnishing replies. Copies of Questionnaire II—Rubber, have likewise been sent to Rubber Manufacturers and Rubber Manufacturers' Associations with the request that they may furnish replies to the questions contained therein. Questionnaires I and II—Rubber, also contain questions, to the problems raised in which, answers could be furnished by you and the Rubber Board. They are questions Nos. 9, 10, 11(a) and (c), 31, 37 and 38 to 40 of Questionnaire I—Rubber, and questions Nos. 1 and 5 of Questionnaire II—Rubber. Besides, these, there are also other questions in the two Questionnaires on which information could perhaps be furnished by you for the Rubber Plantation Industry as a whole. You are accordingly requested to furnish answers to these questions and any other questions in the Questionnaires. Regarding the marketing of Rubber in India the Commission would like to know whether the general conditions described in Shri D. V. Reddy's Report on the Marketing Organisation for Rubber have altered appreciably in any manner since the Report was written. To the questions in Questionnaire III—Rubber, your detailed replies are requested.

2. If there are any aspects of the Rubber Plantation Industry not covered by any of the questions in the Questionnaires, on which you may like to make observations or furnish materials, you are welcome to do so. Seven copies of your replies to the Questionnaires and memoranda may be furnished. The replies to each question may be typed on one side of the paper only and sent so as to reach this Commission on or before the 15th November, 1954.

3. Ten spare copies of the Questionnaires have been sent to you separately. Additional copies, if any required, can be had from the Office of the Secretary of the Commission at Block No. 9, Room No. 343, Shahjehan Road Hutments, New Delhi.

Yours faithfully,

(T. S. SESHUKUTTY)
Secretary.

APPENDIX V

List of Associations and others from whom replies have been received

PRODUCERS ASSOCIATIONS

Tea :

NORTH INDIA

1. Indian Tea Association.
2. Indian Tea Planters' Association, Jalpaiguri.
3. Tripura Tea Association.
4. Surma Valley Indian Tea Planters' Association.
5. Assam Tea Planters' Association.

SOUTH INDIA

1. United Planters' Association of Southern India.
2. Central Travancore Planters' Association.
3. Mysore Planters' Association.
4. Dehra Dun Tea Planters' Association.
5. Nilgiris Planters' Association.

TRADE UNIONS

1. Indian National Trade Union Congress (Assam Branch).
2. West Bengal Chah Shramik Union.
3. Dooars Tea Garden Indian Employees Association.
4. Jorhat Jilla Chah Mazdoor Sangh.

OTHERS

1. Calcutta Tea Traders' Association.
2. Calcutta Tea Merchants' Association.
3. Bengal National Chamber of Commerce.
4. Coimbatore Chamber of Commerce.
5. Cochin Chamber of Commerce.
6. Kanara Chamber of Commerce.

STATE GOVERNMENTS AND STATUTORY BODIES

- | | |
|-------------------|-----------------|
| 1. Assam. | 6. Punjab. |
| 2. West Bengal. | 7. Madras. |
| 3. Tripura. | 8. T. C. State. |
| 4. Bihar. | 9. Coorg. |
| 5. Uttar Pradesh. | 10. Mysore. |
| | 11. Tea Board. |

PRODUCERS' ASSOCIATIONS

Coffee :

1. United Planters' Association of Southern India.
2. Wynaad Coffee Growers' Association.

3. Coorg Planters' Association.
4. Nilgiri Planters' Association.
5. Indian Planters' Association, Coorg.
6. Mysore Planters' Association.

OTHERS

1. Kanara Chamber of Commerce.
2. Cochin Chamber of Commerce.

STATE GOVERNMENTS AND STATUTORY BODIES

- | | |
|------------------|------------|
| 1. T. C. State. | 3. Madras. |
| 2. Coorg. | 4. Mysore. |
| 5. Coffee Board. | |

PRODUCERS' ASSOCIATIONS

Rubber :

1. United Planters' Association of Southern India.
2. Rubber Growers' Association of India.

OTHERS

1. Cochin Chamber of Commerce.
2. Association of Rubber Manufacturers in India.

STATE GOVERNMENTS AND STATUTORY BODIES

- | | |
|------------------|------------|
| 1. Madras. | 3. Coorg. |
| 2. T. C. State. | 4. Mysore. |
| 5. Rubber Board. | |

Statement showing the names of tea companies registered abroad and working in India who have responded to our questionnaire.

Name of Managing Agents/Secretaries in India	Name of Company	Name of Estates	Total acreage
1	2	3	4
I. M/s. Balmer Lawrie Co., Ltd. (1)	1. The British India Co. Ltd.	Mancotta Sessa	1,224
	2. The Darjeeling Consolidated Tea Co., Ltd.	Balasun. Murmah Singbulle	2,945
	3. The Dejuo Tea Co., Ltd.	Dejuo	892
	4. The Doolhat Tea Co.	Doolahat	1,168
	5. The Harmutty Tea Co., Ltd.	Harmutty	844
	6. The Jhanzie Tea Association, Ltd.	Boisahabhi Borsillah Seleng Namsang Borpatra Naganijan Jaipur	5,828

1	2	3	4
I. M/s. Balmer Lawrie Co. Ltd. (1)—contd.	7. The Jokai Tea Co., Ltd.	Bokel Dikom Hukanpukri Joyhing Muttuck Nalani Panitola Tippuk	Daisajan. Hattiali. Jamirah. Koilamari. Lengrai. Mokhroy. Singlijan . 11,367
	8. The Lebong Tea Co., Ltd.	Badametam Tukvar	Barnesberg . 1,486
	9. The Sephinjuri Tea Co., Ltd.	Sephinjuri	.. 2,109
II. M/s. Duncan Bros. & Co., Ltd. (1 & 3)	1. The Aibheel Tea Co., Ltd.	Aibheel	Fagu . 1,843
	2. The Assam Dooars Tea Co., Ltd.	Noniapara Newlands Kumargram Gandrapara	Orangajuli . Sankos . 7,004 Lakhipara
	3. The Bagrakote Tea Co., Ltd.	Bagracote	Baintogooric 2,701
	4. The Borokai Tea Co., Ltd.	Borokai	.. . 618
	5. The British Darjeeling Tea Co., Ltd.	Thurbo .	.. . 1,200
	6. The Chulsa Tea Co., Ltd.	Chulsa Sathkyah Zurrantec.	Samsing . Yong Tong . 5,379
	7. The Dangua Jhar Tea Co., Ltd.	Danguajhar	.. . 1,041
	8. The Doloo Tea Co., Ltd.	Doloo .	.. . 1,594
	9. The Jalinga Tea Co., Ltd.	Jalinga .	.. . 697
	10. The Hope Tea Co., Ltd.	Hope Chalouni.	Jiti . 3,224
	11. The Kukicherra Tea Co., Ltd.	Dholai.	1,479
	12. The Lankapara Tea Co., Ltd.	Garganda	Lankapara . 2,865
	13. The Leesh River Tea Co., Ltd.	Leesh River	.. . 1,553
	14. The Marybong & Kyel Tea Estates, Ltd.	Marybong-Kyel . .	. 671
	15. The Meenglass Tea Co., Ltd.	Dalingkote Putharjhora.	Meenglass . 2,324
	16. The Rukni Tea Co., Ltd.	Rukni	.. . 499
III. M/s. James Finlay & Co., Ltd.	1. The Achabam Tea Co., Ltd.	Achabam	.. . 660
	2. The Amalgamated Tea Estates Co., Ltd.	Nahorkutia Diffloo Lattakoojar. Nagri Moondakotec Kalcj Valley Kadalaparai	Namroop. Hathikuli. Chongtong. Phugri. Dooteriah. Panimade. 13,136 Malakiparai.

1	2	3	4
III M/s James Finlay & Co. Ltd.—contd.	3. The Anglo-American Direct Tea Trading Co., Ltd.	Kolony Nahortoli Pachaimallai Uralikal Deviculam Pullivasal	Nahorani Borojalingah Selaliparai Velonic Periakanal 10,105
	4. Borhat Tea Co., Ltd.	Borhat	Jamguri 1,763
	5. The Chargola Tea Association Ltd.	Chargola	Singlacherra 3,073
	6. Consolidated Tea and Lands Co., Ltd.	Hattigor Damdim Majuli Kumlai Goombira Nakhati	Sangmoottea Noweranuddy Lamabari Rungmattee Powai Soongachi 13,966
	7. The Chubwa Tea Co., Ltd.	Chubwa Nonoi	Kellyden 4,113
	8. The Kanon Devan Hills Produce Co., Ltd.	Kakajan Arivikad Kundaly Chokanad Guderal Southuparai Kalaar Nyamaked Madupatty Munnar Periavurrai Rajamallay/ Pettimudi Silent Valley Lower Vaga- vurrai. Upper Vagau- varai. Yellapatty.	Teok Chundavurrai Chittvurrai Grahamsland Gundumallay Kadalar Kanniamallay Latchmi Nullatani/ Nadiar Nettingudi Sholamallay Sevenmallay Paravithi Tehnmallay 29,741
IV. M/s. Gillanders Arbuthnot and Co., Ltd. (1).	1. The Doonars Tea Co., Ltd.	Bamandanga Ghatia Hilla Kurti Tondoo	Bhogetpore Grassmore Indong Nagrakata 7,460
	2. The Empire of India and Ceylon Tea Co., Ltd.	Borjuli Ghoirallie Sonajuli	Dhulapadung Sesa Tasati 6,998
	3. The Singlo Tea Co., Ltd.	Jaboka Napuk Bunddapani	Muttrapore Suffry Telepara 5,708
V. M/s. Jardine Henderson Ltd. (1 & 2).	1. The Behur Bor Co., Ltd.	Behubor	1,157
	2. The Bengal United Tea Co., Ltd.	Aenakhal Lullacherra	Lallamookh Texpore and Gogra. 4,452
	3. The British Assam Tea Co., Ltd.	Addabaric	Ballipara 1,167

1	2	3	4
V. M/s. Jardive Henderson Ltd. (1 & 2) —contd.	4. The Cachar and Dooars Tea Co., Ltd.	Silcoorie Moortec	Matelli . 2,343
	5. The Gingia Tea Co., Ltd.	Gingia	.. . 740
	6. The Halem Tea Co., Ltd.	Halem	Nyagogra 1,893
	7. The Hunwal Tea Co., Ltd.	Hunwal	. . . 1,261
	8. The Imperial Tea Co., Ltd.	Monabarie Bhatpara Chuapara Mechpara Washabarie	Tarajulie Central-Dooars Jainti New Glencose 8,690
VI. M/s. Kilburn & Co., Ltd. (1).	1. The Assam Company Ltd.	Macheypore Lakhmijam Towkok Suntok Doomardul- long. Khoomataie Depoani and Galekey	Ligripookrie Bamonpukrie Dhole Bagan Mohokutie Tingalibam 11,157
	2. The Makam (Assam) Tea Co., Ltd.	Margherita Dirok.	Dehing 3,127
	3. The Namdang Tea Co., Ltd.	Bogapani	Namdang . 2,323
	1. The Salonah Tea Co., Ltd.	Kondoli Salonah	Kotalgoorie 4,321
VII. M/s. Machinon Machenzie & Co., Ltd. (1)			
VIII. M/s. Macneill & Barry Ltd. (1).	1. The Assam Estates Ltd.	Haselbank	.. . 500
	2. The Craigpark Tea Co., Ltd.	Craigpark	.. . 413
	3. The Doodputlec Tea Co., Ltd.	Hattichera	.. . 867
	4. The Greenwood Tea Co., Ltd.	Dinjan	Greenwood 1,737
	5. The Kalline Tea Co., Ltd.	Kalline	.. . 952
	6. The Koyah Tea Co., Ltd.	Koyah	.. . 811
	7. The Majagram Tea Co., Ltd.	Majagram	Subong . 1,306
	8. The Northern Dooars Tea Co., Ltd.	Binaguri	Demdima . 2,283
	9. The Scottpore Tea Co., Ltd.	Pallarbund	.. . 1,318
	10. The Tarapore Tea Co., Ltd.	Burtoll Labac	Dewan 5,068
	11. The Thanai Tea Co., Ltd.	Digulturrung Thanai	Oaklands 2,235
	12. The Upper Assam Tea Co., Ltd.	Borboraooh Nagaghoolie Rangagora	Maijan Nudwa 3,895

1	2	3	4
VIII. M/s Macneill & Barry Ltd.(1)— contd.	13. The Western Cachar Co., Ltd.	Jellaipore	857
IX. M/s. Octavius Steel Co., Ltd. (1 & 2).	1. The Badulipar Tea Co. Ltd.	Hautley Koomatai 'B'	3,288
	2. The Bamgaon Tea Co., Ltd.	Bamgaon Singri .	1,068
	3. The Bazloni Tea Co., Ltd.	Rajagarhali ..	1,107
	4. The Belseri Tea Co., Ltd.	Belseri ..	450
	5. The Derby Tea Co., Ltd.	Derby ..	822
	6. The Dhoolie Tea Co., Co., Ltd.	Dhoolie ..	838
	7. The Endorgram Tea Co., Ltd.	Coombergram ..	657
	8. The Isabheel Tea Co., Ltd.	Isabheel ..	1,000
	9. The Longai Valley Tea Co., Ltd	Chandkhira Longai .	1,798
	10. The Nedecm Tea Co., Ltd.	Dalgaon Dalmore Looksan Sylee & Kuma Chenguari Dalsingpara. Nyasylee Toorsa	9,518
	11. The Pathini Tea Co., Ltd.	Champabaric Piplagool	1,760
	12. The Rungajaun Tea Co. Ltd.	Rungajaun Woka .	1,831
	13. The Sonabheel Tea Co., Ltd.	Sonabheel ..	620
	14. The Marangi Tea Co., Ltd.	Marangi ..	330
X. M/s. Shaw Wallace & Co., Ltd. (1).	1. The Assam Frontier Tea Co., Ltd.	Budlapara Hokonguri Dangri Palandu Talup Hapjan Longsoal Hilika Khobong Sabaya	9,083
	2. The Budla Beta Tea Co., Ltd.	Bokapara Kanjikoah Pengarca	3,648
	3. The Buxa Dooars Tea Co., Ltd.	Chinchula Raimtang	3,015
	4. The Dima Tea Co., Ltd.	Dima Gangutia .	1,628
XI. M/s. James Warren & Co., Ltd.	1. The Amgoorie Tea Estates Ltd.	Amgoories ..	3,075
	2. The Balijan Tea Co., Ltd.	Balijan ..	961
	3. The Darjeeling Tea Co., Ltd.	Phoolsering Rungneet Ging Bannockburn Tukdah	1,915

1	2	3	4
XI. M/s. James Warren & Co., Ltd.—contd.	4. The Deamoolie Tea Co., Ltd.	Deamoolie . . .	1,328
	5. The Dekhari Tea Co., Ltd.	Dekhari Thowra Deohall .	2,790
	6. The Doom Dooma Tea Co., Ltd.	Daimukhia Beesakopie Hansara Raidang Samdang .	5,818
	7. The Duamara Tea Co., Ltd.	Duamara . . .	600
	8. The Eastern Assam Tea Co., Ltd.	Balijan (North) Limbuguri Sealkotee Balijan (South) Mohunbaree	3,976
	9. The Jatinga Tea Co., Ltd.	Koomber Larsingah	1,906
	10. The Jorhat Tea Co., Ltd.	Langharjan Murmuria Deepling Sycota Rangagora Katonibari Cinnamara Kharikatia Bokahola Nymalighur Tiok Borsapori	9,938
	11. The Pabbujan Tea Co., Ltd.	Pabbojan Dhoeaam	2,174
	12. The Rajah Alli Tea Co., Ltd.	Rajah Alli .. .	573
	13. The Rupai Tea Co., Ltd.	Rupai .. .	1,078
	14. The Shakomate Tea Co., Ltd.	Shakomato .. .	1,000
	15. The Tara Tea Co., Ltd.	Tara .. .	1,234
	16. The Zaloni Tea Co., Ltd.	Zaloni .. .	777
XII. M/s. Williamson Magor & Co., Ltd. (2 & 3)	1. The Attareekhat Tea Co., Ltd.	Attareekhat Panneery Borengajuli	2,450
	2. The Bargang Tea Co., Ltd.	Bargan .. .	1,282
	3. The Borbheel Tea Co., Ltd.	Borbheel .. .	714
	4. The Bordubi Tea Co., Ltd.	Bordubi Phillobari .	1,980
	5. The Borelli Tea Co., Ltd.	Harchurah Phulbari .	2,143
	6. The Borholla Tea Co., Ltd.	Borholla .. .	469
	7. The Brojan Tea Co., Ltd.	Borjan .. .	951
	8. The Boroi Tea Co., Ltd.	Boroi .. .	725
	9. The Brae and Chingoor Tea Estate, Ltd.	Loongsoong Balijuri, Oodmari .. .	852
	10. The Corramore Tea Co., Ltd.	Corramore .. .	609
	11. The Itakhooli Tea Co., Ltd.	Itakhooli .. .	865

1	2	3	4
XII. M/s. Williamson Magor—& Co., Ltd. (2 & 3) contd.	12. The Kacharigaon Tea Co., Ltd.	Kacharigaon . . .	703
	13. The Koliabur and Seconee Tea Co., Ltd.	Koliabur and Seconee.	1,290
	14. The Koomsong Tea Co., Ltd.	Koomsong . . .	1,126
	15. The Majuli Tea Co., Ltd.	Behali Majikajan Majulighur	2,974
	16. The Moabund Tea Co. Ltd.	Gatoonga Sangsua	3,085
	17. The Moran Tea Co., Ltd.	Attabarrie Sepon Moran Lepetkata .	4,011
	18. The Rajmai Tea Co., Ltd.	Rajmai . . .	1,901
	19. The Romai Tea Co., Ltd.	Romai . . .	616
	20. The Rupajuli Tea Co., Ltd.	Rupajuli	708
	21. The Scottish-Assam Tea Co., Ltd	Heeleakah . . .	1,402
	22. The Tingri tea Co., Ltd.	Dirial Keyhung Hoogrijan .	2,149
XIII. M/s. Andrew Yule & Co., Ltd. (2)	1. The Assam Consoli- dated Tea Estate Ltd.	Bhamun Khowang Dukenhengra Hingrijan	Desam Tingkong Ghillidary Sockieting .
	2. The English and Scot- tish Joint Co-opera- tive Wholesale So- ciety Ltd.	Deckiajuli Attikunna Cherakara Tatamala Iyerpadi Sheikalmudi Murngulli	Caroline Ripon Jessie Talapoya Paralai Lower Sheikaly- mudi
			11,014
XIV. M/s. Aspinwall & Co., Ltd. (4).	1. Vaghamon (Travan- core) Tea Co. Ltd.	Vaghamon . . .	667
	2. The Stagbrook Rub- ber and Tea Estates Ltd.	Stagbrook Mainmallai	821
XV. M/s. Harrisons & Crossfield, Ltd.	1. Malayalam Planta- tions Ltd.	Achcor Chundale Perrengooda Touramulla Lockhart Lower Suri- analle Patamalay Panniar Wallardie Chenkara Moongaliar Ambanaad Pootoomulla	Wentworth Mayfield Kardoora . Arrapetta Sentinel Rock Upper Suria- nalle Kaney Cheruvally Kumbazha Venture Isfield Nagamally Dymock
			20,865

1	2	3	4
XVI. M/s. Matheson, Bosanquet & Co., Ltd. (1 & 4)	1. The Estates and Agency Co., Ltd.	Prospect High Forest	Seaforth . 3,257
	2. The Ceylon Land Produce Co., Ltd.	Craigmore Halashana	Woodlands 1,540
XVII. M/s. Rowe, White & Co. Ltd., (1 & 3)	1. The Ponnudi Tea and Rubber Co., Ltd.,	Bonaccord Braemore	Ponnudi Terramia . 2,485
	2. Southern India Tea Estates Co., Ltd.	Glenmary Ladram Ranikoil	Kudakarnam Woodlands 2,596
XVIII. M/s. Tea Estates (India) Ltd. (1).	1. Madras Tea Estates Ltd.	High Way Devershola	Manalaar Deven . 2,871
	2. Stanmore (Anamally) Estates Ltd.	Sirikundra Nullacathu Monica	Stanmore Injipara . 3,486
	3. Travancore Tea Estates Co., Ltd.	Bonami Koliekanam Thengakal Pambanar Mount	Munjamullay Nellikai Pasumullay Thungamullay Granby 6,013

Statement showing names of Proprietary Concerns with Sterling capital

Name of Agent	Name of Estates
1. Peirce, Leslie & Co., Ltd.	Kodanaad. Curzon
2. Matheson, Bonsanquet & Co. Ltd.	Burnside Kairbatta & Kallo
3. Balmer Lawrie & Co., Ltd.	Meleng

NOTE.—(1) Agents; (2) Managing Agents; (3) Secretaries and (4) Attorneys.

Statement showing the names of Rupee Non-Indian companies under Non-Indian Managing Agents control, who have responded to our questionnaire

Name of Agency	Name of Companies	Name of Estates	Total Acreage
1	2	3	4
Macneill & Barry Ltd.	1. Barak Tea Co., Ltd.	Dikhoosh	474
	2. Baghjan Tea Co., Ltd.	Baghjan	748
	3. Bhubandhar Tea Co., Ltd.	Bhubandhar	797
	4. Bukhial Tea Estates Ltd.	Bukhial Sopella	759
	5. Dirai Tea Co., Ltd.	Dirai	836
	6. Doyapore Tea Co., Ltd.	Doyapore	489
	7. Moraghat Tea Co., Ltd.	Moraghat	827
	8. Nangdala Tea Co., Ltd.	Nangdala	968
	9. Silonibari Tea Co., Ltd.	Silonibari	1,001

1	2	3	4
Davenport & Co., Ltd.	10. Gielle Tea Co., Ltd.	Gielle	533
	11. Hasimara Tea Co., Ltd.	Beech Malangi Satali Tumsong Bharnobari	4,237
	12. Huldibari Tea Association Ltd.	Huldibari	1,452
	13. New Chumta Tea Co., Ltd.	New Chumta	502
	14. Pussimbing Tea Co., Ltd.	Pussimbing	570
	15. Sonai River Tea Co., Ltd.	Monierkhal	662
	16. Teesta Valley Tea Co., Ltd.	Teesta Valley	718
Duncan Bros. & Co., Ltd.	17. Moheema Ltd.	Moheema	673
James Finaly & Co., Ltd.	18. The Sapoi Tea Co., Ltd.	Sapoi	942
Gillanders Arbuthnot & Co., Ltd.	19. Arcuttipore Tea Co., Ltd.	Arcuttipore	841
	20. Betjan Tea Co., Ltd.	Betjan	582
	21. Gaikhata Tea Co., Ltd.	Gaikhata	1,057
	22. Jutlibari Tea Co., Ltd.	Jutlibari	868
	23. Manipur Tea Co., Ltd.	Manipur	548
	24. Selimbong Tea Co., Ltd.	Selimbong	400
	25. Taipoo Tea Association Ltd.	Taipoo	359
	26. Tengpani Tea Co., Ltd.	Tengpani	475
Kilburn & Co., Ltd.	27. Darjeeling Tea and Chinchona Association Ltd.	Poomong Namring	904
	28. Pashok Tea Co., Ltd.	Pashok	905
Octavius Steel & Co., Ltd.	29. Bokakhat Tea Co., Ltd.	Bokakhat	485
	30. Doyang Tea Co., Ltd.	Doyang	530
	31. Pathemara Tea Co., Ltd.	Pathemara	498
	32. Eastern Cachar Tea Co., Ltd.	Binnakandy	949
	33. Loobah Co., Ltd.	Kallinecher	550
Williamson Magor & Co., Ltd.	34. Borpukhuri Tea Co., Ltd.	Borpukhuri	682
	35. Dufflaghur Tea Co., Ltd.	Dufflaghur	701
	36. Gohpur Tea Co., Ltd.	Gohpur	800
	37. Seajuli Tea Co., Ltd.	Seajuli	747
	38. Lingia Tea Co., Ltd.	Glenburn & Lingia.	1,052
	39. Soom Tea Co., Ltd.	Soom	614
	40. Tukvar Tea Co., Ltd.	Tukvar	1,844
	41. Nagri Farm Tea Co., Ltd.	Nagri Farm	690
	42. Chamong Tea Co., Ltd.	Chamong	409
	43. Bateli Tea Co., Ltd.	Bateli	1,069
Aspinwall & Co., Ltd.	44. Murphy Estates Ltd.	Yendayar	459
Jardine Henderson & Co., Ltd.	45. Mangaldai Tea Co., Ltd.	Kopate & Mazbat	797
Harrisons & Crossfield Ltd.	46. Nonsuch Tea Estates Ltd.	Nonsuch.	841

Statement showing the names of Rupee partly Indian and partly Non-Indian Companies under Non-Indian Managing Agents control who have responded to our questionnaire

Name of Agency	Name of Companies	Name of Estates	Total average
1	2	3	4
Duncan Bros. & Co., Ltd.	1. Kunchunpore Tea Co., Ltd.	. Kunchunpore	560
	2. Manabarrie Tea Co., Ltd.	. Manabarrie	629
	3. Ellen Barrie Tea Co., Ltd.	. Ellen Barrie	498
	4. Birpara Tea Co., Ltd.	. Birpara	1,362
	5. The Carron Tea Co., Ltd.	. Carron	602
	6. Gungaram Tea Co., Ltd.	. Gungaram, Ord.	1,664
	7. Hansqua Tea Co., Ltd.	. Hansqua	517
	8. Hantapara Tea Co., Ltd.	. Hantapara, Dumichipara	2,417
	9. Killcott Tea Co., Ltd.	. Killcott	937
	10. Nagaisuree Tea Co., Ltd.	. Nagaisuree	1,113
	11. New Cinnatolliah Tea Co., Ltd.	. Cinnatolliah	936
	12. North Western Cachar Tea Co., Ltd.	Bicrampore, Kurkoorie	1,356
	13. Okayti Tea Co., Ltd.	. Okayti	505
	14. Phaskowa Tea Co., Ltd.	. Phaskowa	353
	15. Poobong Tea Co., Ltd.	. Poobong	478
	16. Patrakola Tea Co., Ltd.	. Jaijuri Rampore Kotamallai	1,625
	17. Putinbaree Tea Association Ltd.	. Putinbaree	263
	18. Rungamatee Tea Co., Ltd.	. Chandighat	685
	19. Runglee Rungliot Tea Co., Ltd.	. Runglee Rungliot	341
	20. Seeyok Tea Co., Ltd.	. Seeyok	382
	21. Ledo Tea Co., Ltd.	. Ledo Nagrijuli	1,035
Macneill & Barry Ltd.	22. Bhooteachang Tea Co., Ltd.	. Bhooteachang	860
	23. New Assam Valley Tea Co., Ltd.	. Mahakali	528
	24. New Monkhooshi Tea Co., Ltd.	. Monkhooshi	465
Andrew Yule & Co., Ltd.	25. Ananda Tea Co., Ltd.	. Ananda	312
	26. Basmatia Tea Co., Ltd.	. Basmatia	369
	27. Gillapukri Tea Co., Ltd.	. Gillapukri	407
	28. Hoolungooree Tea Co., Ltd.	. Hoolungooree	1,290
	29. Hoograjuli Tea Co., Ltd.	. Hoograjuli	476
	30. Murphulani Tea Co., Ltd.	. Murphulani	344
	31. Rajgarh Tea Co., Ltd.	. Rajgarh	353
	32. Dilaram Tea Co., Ltd.	. Dilaram	488
	33. Mim Tea Co., Ltd.	. Mim	463
	34. Banarhat Tea Co., Ltd.	. Banarahat	2,548
	35. Choonabhutti Tea Co., Ltd.	. Choonabhutti	901
	36. Engo Tea Co., Ltd.	. Engo	265

1	2	3	4
Andrew Yule & Co., Ltd. —contd.	37. New Dooars Tea Co., Ltd. 38. Sarugaon Tea Co., Ltd. 39. Jaybirpara Tea Co., Ltd.	. New Dooars . Sarugaon . Jaybirpara	1,163 663 607
Octavius Steel & Co., Ltd.	40. Grob Tea Co., Ltd. 41. Methoni Tea Co., Ltd. 42. Teen Ali Tea Co., Ltd. 43. Ethelbari Tea Co., Ltd. 44. Hattikhira Tea Co., Ltd. 45. Oodalbari Tea Co., Ltd.	. Kanu Dessoie . Methoni . Teen Ali . Ethelbari . Hattikhira . Oodalbari	} 1,393 612 532 960 2,153 1,838
Williamson Magor & Co., Ltd.	46. Diamkusi Tea Co., Ltd. 47. East Indian Tea Co., Ltd. 48. Bishnauth Tea Co., Ltd.	. Dimakusi. Dufloating Soraipani . Dekorai Dhendai Pabhoi Pertabghur	666 } 1,177 } 4,213
James Finlay & Co., Ltd.	49. Dhunseri Tea Co., Ltd.	. Dhunseri	603
Gillanders Arbuthnot & Co., Ltd.	50. AnandaBag Tea Co. Ltd.	. Ananda Bag	411
Shaw Wallace & Co., Ltd.	51. Namburnadi Tea Co. Ltd. 52. Tezpore Tea Co. Ltd.	. Namburnadi . Bahipookri Bettybari New Purupari Orang	810 } 2,519
Killburn & Co., Ltd.	53. Phargoomiah Tea Association	. Phargoomiah	958
Hoare Miller & Co., Ltd.	54. Singell Tea Co., Ltd.	. Singell	726
James Warren & Co., Ltd.	55. Dhelakhat Tea, Co., Ltd.	. Dhelakhat	620
Brooke Bond Estates India Ltd.	56. Brooke Bond Tea Co., Ltd.	. Dering Dhullie Dibru-Darrang Julia Tinkharia	} 2,853
Peirce Leslie & Co., Ltd.	57. Nilgiri Neerugundi Tea Co., Ltd. 58. Ouchterlany Valley Estates Ltd. 59. Kalasa Tea & Produce Co. Ltd. 60. Kilkotagiri Tea and Coffee Estates Ltd. 61. Periakaramalai Tea and Produce Co., Ltd. 62. Chembra Peak Estates Ltd.	. Nilgiri-Neeru- gundi. . Glenfans New Hope Lawriston Gunynd . Samsay, Gooman Khan Kilkotagiri . Karamalai Akkamalai Vellamalai Nadumalai . Chembrapeak	342 } 1,490 } 539 352 } 3,418 1,336

1	2	3	4
Matheson, Bosanquet & Co. Ltd.	63. Coonoor Tea Estates . . .	Coonoor .	267
	64. Parkside (Neilgherry Hills) Estate Co., Ltd.	Parkside .	579
Aspinwall & Co., Ltd. (Travancore)	65. The Peermade Tea Co., Ltd. .	Peermade Lone-Tree .	1,557
	66. The Travancore Rubber and Tea Co., Ltd.	Orkadan Valley End Vellani	1,878
T. Stanes & Co., Ltd.	67. Stanes Amalgamated Co., Ltd. .	Wellbeck & Cairnhill Deepdale Crofton & Dunkutty Kotada Goonjara & Woodrolfe	} 615
	68. United Nilgiri Tea Estates . . .	Chamraj Rocklands Devbelta Allada Valley Kodari Valley	
Jardine Henderson & Co. Ltd.	69. Dessai & Parbutia & Co., Ltd. .	Duklingia & Hattigarh .	} 1,315

Statement showing the names of Rupee Indian companies under Non-Indian Managing Agents control who have responded to our questionnaire

Name of Agency.	Name of Companies	Name of Estate	Total Acreage
Octavious Steel & Co., Ltd.	1. Lankashi Tea and Seed Estates Ltd.	Lankashi	173
M/s. Peirce Leslie & Co., Ltd.	2. Barwood Estates, Nilgiri	Barwood	393

Statement showing the names of Rupee Indian companies under Indian Managing Agents control who have responded to our questionnaire

Name of Agency	Name of Companies	Name of Estate	Total Acreage
Daga & Co., Ltd.	1. Tongani Tea Co., Ltd. . . .	Tonagni .	366
	2. Long View Tea Co., Ltd. . . .	Long View .	753
	3. Arya Tea Co., Ltd. . . .	Arya .	239
Kothari & Sons (Agencies) Ltd.	4. Blue Mountain Estates Ltd. .	Glendale Adderley Colacumbie & Brooklands	} 1,281

1	2	3	4
Parkins Ltd.	5. Coorg Tea Co., Ltd.	Glenlorna	432
	6. Twyford Tea Co., Ltd.	Twyford	1,267
	7. Haileyburia Tea Estates Ltd.	Haileyburia & Semmi Valley	1,076
Rays Ltd.	8. Emerald Valley Estates Ltd.	Emerald	221
	9. Diabari Tea Co., Ltd.	Madhu	604
	10. Saroda Tea Co., Ltd.	Mathura	1,179
	11. Chandmani Tea Co., Ltd.	Chandmani	402
	12. Kamala Tea Co., Ltd.	Kamala	698
	13. Eastern Tea Co., Ltd.	Kalabari Rangati }	570
J. C. Ghose & Co., Ltd.	14. Gopalpur Tea Co., Ltd.	Gopalpur	757
	15. Kadambini Tea Co., Ltd.	Kadambani & Cooch Behar.	1,193
	16. Luxmikanta Tea Co., Ltd.	Luxmikanta	271
D. C. Ghose & Co., Ltd.	17. Malhati Tea Syndicate Ltd.	Jogeschandra	825
	18. Bijohnagar Tea Co., Ltd.	Bijohnagar & Subhashini	1,210
Duncan Bros. & Co., Ltd.	19. Friends Tea Co., Ltd.	Kaliashpur	327
Jute & Gunny Brokers Ltd.	20. Nikhli Jute Baling Co., Ltd.	Gabroo Purbat and Dahingcapara }	522
Chatterjee, Gungulee & Co., Ltd.	21. Assam Proper Tea Co., Ltd.	Bijlibari	287
	22. Silkote Tea Co., Ltd.	Hiracherra	240
P. R. Sarkar & Co., Ltd.	23. New Tea Co., Ltd.	Bijlimani and Matidhar. }	829
Johnson's Estates & Agencies Ltd.	24. Karimtharuvi Estates Ltd.	Karimtharuvi	492
A. V. Thomas & Co., Ltd.	25. Kalpetta Estates Ltd.	Chulika	276
S. S. N. Lakshman Chettiar & Sons.	26. Golden Hills Estates Ltd.	Erinkadu	295
A. C. Ardeshir & Co. Ltd.	27. Tuttipullam Tea & Coffee Plantations Ltd.	Tuttipullam Achilleston }	412
Ramani & Co., Ltd.	28. Algeswar Estates Ltd.	Kerehuckloo Coove Algeswar & New Estates }	473
Oomen & Co., Ltd.	29. Kurchermala Plantations Ltd.	Kurchermala	212
Young India Agencies Ltd.	30. Balanoor Tea & Rubber Co., Ltd.	Balehonnur	579
Majumdar & Co., Ltd.	31. Darjeeling Jalpaiguri Tea Co., Ltd.	Fulbari	344
	32. Manu Valley Tea Co., Ltd.	Manu Valley	264
Planters Union Ltd.	33. Tufanialonga Tea Co., Ltd.	Tufanialonga	174
	34. Tipperah Tea Corporation Ltd.	Luxmi longa	311

1	2	3	4
Golokpur Trading Syndicate Ltd.	35. Golokpur Tea Co., Ltd.	Golokpur	333
Northern India Tea Syndicate Ltd.	36. Ramdurlabpur Tea Co., Ltd.	Ramdurlabpur	225
Lohia Bros. Ltd.	37. Marionbarice Tea Co. Ltd.	Marionbarice	540
K. C. Bhattacharya & Sons Ltd.	38. New Darjeeling Union Tea Co., Ltd.	Deomani & Kristopur	463
Goenka & Co., Ltd.	39. Pandam Tea Co., Ltd.	Pandam	483
Abdual Guffar & Friends	40. The East Bengal Hindu-Muslim Planters Ltd.	Jagannathpur	212
M/s. Rohut & Co., Ltd.	41. Friends Tea Co., Ltd.	Kailashpur	327
K. M. Saha & Co., Ltd.	42. The Mekhlipara Tea Co., Ltd.	Mekhlipara	251
P. Banerjee & Co., Ltd.	43. Simna Tea & Trading Co., Ltd.	Kalacherra	278
B. L. Ray & Co.	44. Huplongcherra Tea Co., Ltd.	Huplongcherra	289
Goenka & Co.	45. Bloomfield Tea Co., Ltd.	Bloomfield	562
	46. Singtom Tea Co., Ltd.	Singtom Aloobari Sienthal	1,736
Anandamoyee Agency Ltd.	47. Eastern Dooars Tea Co., Ltd.	Banglabari	312
	48. Bijni Dooars Tea Co., Ltd.	Kokrajhar	694
	49. Sidley Dooars Tea Co., Ltd.	Daloabari	313
Birla Brothers	50. Jayshree Tea Garden Ltd.	Sholayar Nahorhabi Lohagarh Kallayar Merchaston Invercauld	3,695
A. V. Geogre & Co., Ltd.	51. Nilgiri Tea Estates Ltd.	Mailoor Kokyar	602
Vimsons Ltd.	52. Malabar Agricultural Co., Ltd.	Kariankalan	370
M/s. Johnsons Estates & Agencies Ltd.	53. The Penshurst Tea Estates Ltd.	Penshurst	268
M/s. Harska Ltd.	54. Churkulam Tea Estates Ltd.	Churkulam Kolahalanced	788
M/s. Ramn & Co., Ltd.	55. The New Glem Morgan Estates Ltd.	New Glem Morgan	375
A. V. George & Co., Ltd.	56. The Udayagiri Rubber Co., Ltd.	Ashley	428
Rajeswari Corporation Ltd.	57. The South Travancore Plantation Ltd.	Goorineony	500
The Associated Planters Ltd.	58. The Cottanad Plantation Ltd.	Cottanad	129

Statement showing the names of Rupee Partly Indian and Partly Non-Indian companies under Indian Managing Agents control who have responded to our questionnaire

Name of Agency	Name of Companies	Name of Estate	Total Acreage
McLeod & Co., Ltd.	1. The Amluckie Tea Co., Ltd.	Amluckie	871
	2. Baghmari Tea Co., Ltd.	Baghmari	588
	3. Bormahjan Tea Co., Ltd.	Bormahjan	480
	4. Dejo Valley Tea Co., Ltd.	Dejo Valley	309
	5. Margarets Hope Tea Co., Ltd.	Margets Hope	842
	6. Ranicherra Tea Co., Ltd.	Ranicherra	1,272
	7. Sungma & Turzum Tea Co., Ltd.	Sungma and Turzum	745
	8. Tirrihannah Tea Co., Ltd.	Tirrihannah	563
	9. Roopacherra Tea Co., Ltd.	Roopacherra	638
Daga & Co. Ltd.	10. Tilkah Tea Co. Ltd.	Tilkah	1,043
Kettlewell Bullen & Co. Ltd.	11. Joonktollee Tea Co., Ltd.	Joonktollee	533
	12. Mothola Tea Co., Ltd.	Mothola	433
Ram Dutt, Ram Krishan Dass (Secretary).	13. Baithakha ¹ Tea Co., Ltd.	Baithakhal	482

Statement showing the names of Rupee Private Limited companies under Non-Indian control who have responded to our questionnaire.

Name of Agency	Name of Companies	Name of Estate	Total Acreage
	1. Goomtee Tea Co. Ltd.,	Goomtee	345

Statement showing the names of Rupee Public Limited companies under Indian control who have responded to our questionnaire

Name of Agency	Name of Companies	Name of Estates	Total Acreage
	1. Gaur Nitye Tea Co., Ltd.	Bargara	329
	2. Attiabari Tea Co., Ltd.	Attiabari	1,052
	3. The All India Tea & Trading Co. Ltd.	Singrimari Jalalnagar Madanpur	} 866
	4. Diana Tea Co., Ltd.	Diana	
	5. Srinathpur Tea Co., Ltd.	Srinathpur	553
	6. Saraswatipur Tea Co., Ltd.	Saraswatipur	900
	7. Luxmi Tea Co., Ltd.	Narayanpur	583
	8. Dooars Assam Union Tea Co., Ltd.	Chappar	330
	9. Kalyani Tea Co., Ltd.	Kenduguri	328
	10. Amravati Tea Co., Ltd.	Halmari	} 1,353
	11. Cachar Native Joint Stock Co., Ltd.	Dwarbund & Vernerpur	
			966

1	2	3	4
12.	Ramjhora Tea Co., Ltd.	Ramjhora	854
13.	Rahimia Lands & Tea Co., Ltd.	Malandady & Rahimiabad.	} 695
14.	Coronation Tea Co., Ltd.	Manjha	
15.	Mantala Tea Co., Ltd.	Mantala	489
16.	Sahabad Tea Co., Ltd.	Sahabad	558
17.	Ambari Tea Co., Ltd.	Ambari	1,748
18.	Alimabad Tea Co., Ltd.	Alimabad	1,143
19.	Choibari Tea Co., Ltd.	Choibari	612
20.	Manmohinipur Tea Co., Ltd.	Manmohinipur	475
21.	Sayadabad Tea Co., Ltd.	Sayadabad	444
22.	Debijhora Tea Co., Ltd.	Debijhera	1,191
23.	Jadabpur Tea Co., Ltd.	Mohanlal Ramaehandra	} 439
24.	Dooars Union Tea Co., Ltd.	Patkapara	
25.	Goodwill Tea Co., Ltd.	Bhandiguri	565
26.	New Assam & Duars Tea Co., Ltd.	Hirajuli	724
27.	Nepuchapur Tea Co., Ltd.	Nepuchapur	537
28.	Northern Bengal Tea Corporation Ltd.	Nedam	890
29.	Khyerbari Tea Co., Ltd.	Khyerbari	647
30.	Karala Valley Tea Co., Ltd.	Karala Valley	370
31.	Chamurchi Tea Co., Ltd.	Chamurchi	2,213
32.	Gurjangjhora Tea Co., Ltd.	Gurjanjhora	642
33.	Chunia Jhora Tea Co., Ltd.	Chunia Jhora	575
34.	Anjuman Tea Co., Ltd.	Makmapara & Majnai	} 1,340
35.	Jalpaiguri Duars Tea Co. Ltd.	Thanjhora	
36.	Bhutan Duars Tea Association Ltd.,	Birijhora	541
37.	Merry View Tea Co., Ltd.	Merry View	1,197
38.	Katalaguri Tea Co., Ltd.	Katalguri	2,405
39.	Amritapur Tea Co., Ltd.	Raipur	520
40.	Sukna Tea Co., Ltd.	Sukna	730
41.	Sunny Valley Tea Co., Ltd.	Joypur	523
42.	Debpara Tea Co., Ltd.	Debpara	1,021
43.	Palashbari Tea Co., Ltd.	Gurjaman	1,050
44.	Jalpaiguri Tea Co., Ltd.	Moguleta	920
45.	Batabari Tea Co., Ltd.	Batabari	609
46.	Dheklapara Tea Co., Ltd.	Dheklapara	490
47.	Bengal Dooars National Tea Co., Ltd.	Dhowlajhora	593
48.	Nuxalbari Tea Co., Ltd.	Nuxalbari	620
49.	Devashola (Nilgiri) Tea Estates Ltd.	Devashola & Devi View.	} 325
50.	Chandramalai Estates	Chandramalai	
51.	Woodbriar Estates Ltd.	Woodbriar Sussex Estates Sallisbury Eastleigh	} 1,539

1	2	3	4
52.	Dehra Dun Tea Co., Ltd.	Dehra Dun	1,247
53.	East Hopetown Tea Co., Ltd.	East Hopetown	618
54.	Kohinoor Tea Co., Ltd.	Kohinoor	645
55.	Bhojnarain	Bhojnarain	412
56.	Nedea Tea Co., Ltd.	Totapara	1,193
57.	Rangpur Tea Association Ltd.,	Majherdabari	651
58.	The Great Gopalpur Tea Co., Ltd.	Good Hope Hahaipatha	} 1,957
59.	Alipur Duars Tea Co., Ltd.	Turtusi	
60.	Dilkusha Tea Co., Ltd.	Murticherra	280
61.	Lopchu Tea Co., Ltd.	Lopchu	226
62.	Padma Tea Co., Ltd.	Amboiuk	313
63.	The Kharibari Tea Co., Ltd.	Kharibari	334
64.	The Assam Industries Ltd.,	Noanuddy	255
65.	Malabar Tea Plantation Ltd.	Hearenford	183
66.	The Pullikanan Tea Estates Ltd.	Pullikanan	590
67.	The Tropical Plantation Ltd.	Periyar-con- nemara.	498

Statement showing the names of Rupee Private Limited companies under Indian control who have responded to our questionnaire.

Name of Agency	Name of Companies	Name of Estates	Total Acreage
1.	Kamini Tea Co., Ltd.	Kamini	216
2.	Udalguri Tea Co., Ltd.	Udalguri	178
3.	Eastern Tea Estates Ltd.	Martycherra Chandana	} 661
4.	Abhoyjan Tea Co., Ltd.	Abhoyjan Ultajan	
5.	Dalowjan Tea Co., Ltd.	Dalowjan Rangma	} 471
6.	Salkathoni Tea Co., Ltd.	Salkathoni	
7.	Santi Tea Co., Ltd.	Santi	550
8.	Bokajan Tea Co., Ltd.	Bokajan	100
9.	Deha Assam Tea Co., Ltd.	Deha	351
10.	Sarojini Tea Co., Ltd.	Sarojini	214
11.	Tumulbari Tea Co., Ltd.	Namburnadi	811
12.	Rahimpur Tea Co., Ltd.	Rahimpur	300
13.	Daga & Co., Ltd.	Dagapur	410
14.	Chaityapani Tea Co., Ltd.	Chaityapani	143
15.	Boroah Tea & Trading Co., Ltd.	Bhergaon	239
16.	Khan Bahadur Tea & Land Co., Ltd.	Dherai Nurpur Walipur	} 688
17.	Gohain Borbora Tea Co., Ltd.	Bogijan	
18.	Bholaguri Tea Co., Ltd.	Bholaguri	200

1	2	3	4
	19. Raisahib Gungaram Chowdhury & Sous. Co., Ltd.	Shalneasi .	400
	20. The Bura-Gohain Tea Co., Ltd.	Govindpur .	206
	21. Sadiya Frontier Tea Co., Ltd.	Dholla .	429
	22. K. V. Zachariya Tea Co., Ltd.	Melo Ram Vadakemalai Erunakutty }	331
	23. Kotagudi Plantations Co., Ltd.	Kohikkunaa- lai.	223
	24. Risheehat Tea Co., Ltd.	Risheehat .	346
	25. Happy Valley Tea Co., Ltd.	Happy Valley	450

Statement showing the names of Rupee Proprietary and Partnership concerns under Indian ownership who have responded to our questionnaire.

Name of concerns	Name of Estates	Total acreage
1	2	3
Partnership .	1. Rung Rung Tea Estate	315
Proprietary .	2. Bholanath Tea Estate	156
Do. .	3. Hossainabad Tea Estate	840
Do. .	4. Shikarpur Tea Estate	1,198
Partnership .	5. Anandpur Tea Estate	714
Proprietary .	6. Fulbari Patan Tea Estate	214
Do. .	7. Mission Hill Tea Estate	449
Do. .	8. Kamalpur Tea Estate	158
Partnership .	9. Mohurgung & Gulma Tea Estate	1,000
Do. .	10. Nufbong Tea Estate	725
Proprietary .	11. Monte Viot & Edenvale Tea Estate	275
Do. .	12. Soureni Tea Estate	193
Partnership .	13. Haroo Charai, Kuhum, Mokrung	1,213
Do. .	14. Bhagwan Tea Estate	166
Do. .	15. Shyamraipore Tea Estate	124
Hindu Joint Family	16. Khongea, Durrung Tea Estate	1,280
Joint Family .	17. Duliabaum Tea Estate	256
Do. .	18. Borting Tea Estate	150
Proprietary .	19. Lohorijan Tea Estate	294
Do. .	20. Balijan Tea Estate	133
Do. .	21. Rani Tea Estate	206
Partnership .	22. Borchola & Panbari Tea Estate	565.5
Proprietary .	23. Padumani Tea Estate	189
Joint Family .	24. Ghograjan Tea Estate	180
Do. .	25. Harishpur Tea Estate	140
Partnership .	26. Rheabari Tea Estate	654
Do. .	27. Sonamukhi Tea Estate	185
Do. .	28. Halaicherra Tea Estate	178
Proprietary .	29. Gopal Nagar Tea Estate	227
Partnership .	30. Mulootur Tea Estate	383

1	2	3
Proprietary	31. Gourishankar Tea Estate	377
Do.	32. Morani Tea Estate	516
Do.	33. Mankhowa Tea Estate	156
Do.	34. Rowriah Tea Estate	183
Do.	35. Durgapur Tea Estate	150
Do.	36. Gangabari Tea Estate	195
Do.	37. Letekoojan & Tipoonia Tea Estate	671
Do.	38. Singorijan & Sworapur Tea Estate	207
Joint Family	39. Durgapur Tea Estate	172
Partnership	40. The Nilgiri & Murukady Tea Estate	465
Do.	41. The Periasola Estate	384
Proprietary	42. Ranimudy Tea Estate	108
Partnership	43. Linefield & Amaravathy Tea Estates	224
Proprietary	44. Chellotte Tea Estate	221
Do.	45. Silver Cloud Estate	223
Do.	46. Lakshmikoil Tea Estate	297
Do.	47. Richmond Park	116
Williamson Ma- gor & Co., Ltd.	48. Jadabpur, Halmiramookh, Nahorbari, Kakadanga Tea Estates.	585
Partnership	49. Highfield Estate	138
Do.	50. Madoorie	485
Do.	51. Lakhibari	119

Statement showing the names of Rupee Proprietary and Partnership concerns under Non-Indian ownership who have responded to our questionnaire

1	2	3
James Warren & Co., Ltd.	1. Singhiajhora Tea Estate	377
M/s. Federated	2. Bagdogra Tea Estate	324
Bank of Bogru,	3. Ashapur Tea Estate	253
Bogru Loan	4. Oaks Tea Estate	320
Office, Ltd.	5. Marinkere	360
	6. Kilmelfort Forest Hill Corsley	387
	7. Haukal	203
	8. Linwood Shendurni	446
	9. Vdiya Bagh (Raynor Division)	169
	10. (Jackson Division) Vdiya Bagh	253

APPENDIX V

Statement showing the names of companies who sent balance sheets only for 1953/54.

No.	Name of Company	Acreage
1	Pearacherra Tea, Co., Ltd.	271
2	Indian Tea & Provisions Ltd.	394
3	New Jatinga Valley Tea Estates Ltd.	363
4	Tea Producing Co. of India Ltd.	1,227
5	Mokalbari Kanoi Tea Co., Ltd.	813
6	Ganeshka Kanoi Tea Co., Ltd.	349
7	Sonthalia Tea Estates, Ltd.	485
8	Kanoi Estates Ltd.	294
9	Kharibari Tea Co. Ltd.	334
10	Shree Kamakhya Tea Co., Ltd.	367
11	Goneshbari Tea Co., Ltd.	324
12	Radharani Tea & Estates Ltd.	295
13	Khemanti Tea Co., Ltd.	151
14	Sewpur Tea Co., Ltd.	262
15	Bharat Samiti Ltd.	515
16	Barduar Tea & Timber Ltd.	285
17	New Red Bank Tea Co., Ltd.	693
18	Jaffirabund Tea Co., Ltd.	377
19	Jungpana Tea Co., Ltd.	201
20	Tipperah Hill Development Co., Ltd.	248
21	Suola Tea Estates Ltd.	276
22	Hill Properties Ltd.	210
23	Lohar Valley Tea Co., Ltd.	305
24	Kallynugger & Khoreel Tea Co., Ltd.	563
25	Halmirah Estates Tea Ltd.	561
26	Bahadur Tea Co., Ltd.	300
27	Longboi Tea Co., Ltd.	225
28	Banwaripur Tea Co., Ltd.	172
29	Barbarnakhat Tea Co., Ltd.	73
30	Mihiram Saikia Tea Co., Ltd.	169
31	Govindapur Tea Co., Ltd.	342
32	Shyam Sundar Tea Co., Ltd.	314
33	Satyanarayan Tea Co., Ltd.	310
34	Radhabari Tea Co., Ltd.	214
35	Borsali Tea Co., Ltd.	400
36	New Toon Tea Co., Ltd.	583
37	Iringmara Tea Co., (1953) Ltd.	370
38	Simna Tea & Trading Co., Ltd.	279
39	Bhuyankhat Tea Co., Ltd.	160
40	Assam Tea & Trading Co., Ltd.	21
41	Sriram Samabhong Tea Estates Ltd.	276
42	Southern Terai Tea Co., Ltd.	180

No.	Name of Company	Acreage
43	Borbheta Tea Co., Ltd.	309
44	Ethelwood Tea Co., Ltd.	392
45	Atibari Tea Co., Ltd.	1,051
46	Dilkusha Tea Co., Ltd.	550
47	Darjeeling Terai Tea Co., Ltd.	371
48	Gye Ganga Tea Co., Ltd.	786
49	Kyang Tea Seed Co., Ltd.	336
50	Kingsley Golaghat Assam Tea Co., Ltd.	1,116
51	Teloijan Tea Co., Ltd.	563
52	Tingamaria Tea Seed Co., Ltd.	131
53	Tyroon Tea Co., Ltd.	1,054
54	Peerless Tea Co., Ltd.	437
55	Premier Tea Co., Ltd.	1,615
56	Manabarrie Tea Co., Ltd.	629
57	Maud Tea & Seed Co., Ltd.	317
58	New Samanbagh Tea Co., Ltd.	988
59	Rajabhat Tea Co., Ltd.	764
60	Naga Hills Tea Co., Ltd.	542
61	Nilpur Tea Co., Ltd.	193
62	Ratnapur Tea Co., Ltd.	82
63	Lukwah Tea Co., Ltd.	1,303
64	Rajnagar Tea Co., Ltd.	613
65	Teliapara Tea Co., Ltd.	1,171
66	Huploncherra Tea Co., Ltd.	274
67	Atal Tea Co., (1943) Ltd.	687
68	Lackatoorah Tea Co., Ltd.	1,190
69	Simulbarie Tea Co., Ltd.	580
70	Central Tipperah Tea Co., Ltd.	461
71	Clevedon Tea Co., Ltd.	551
72	Chandypore Tea Ltd.	174
73	Belgachi Tea Co., Ltd.	433
74	Borahi Tea Co., Ltd.	481
75	Hind Tea Co., Ltd.	207
76	Mekhlipara Tea Co., Ltd.	251
77	Duaracherra Tea Co., Ltd.	544
78	Balijan Tea Co., Ltd.	964
79	Bhatkawa Tea Co., Ltd.	1,149
80	Jhirighat Native Tea Co., Ltd.	456
81	Tarajan Tea Co., Ltd.	405
82	Panbari Tea Co., Ltd.	666
83	Nirmala Tea Co., Ltd.	221
84	Krishnabehari Tea Co., Ltd.	268
85	Dibrugarh Co., Ltd.	443
86	Devon Tea & Produce Co., Ltd.	672
87	Neelamalai Tea & Coffee Estates Ltd.	1,890
88	Woodcote Estates Ltd.	119

APPENDIX VI

PROFORMA 'A'

Cost of production of owners holding less than 100 acres of tea lands

NOTES.— (1) Where the owner and his family give their own labour, it should be excluded in calculating labour charges.

(2) Charges may be stated to the nearest rupee.

1. Name of owner :
2. (a) Area owned in acres,
(b) Of which area, area under tea (a) Bearing
(b) Non-bearing.
3. Crop in lbs. for the year 1954-55.
4. General field works (labour charges) (Pruning, hoeing, forking, weeding, trenching, uprooting old plants, shadowing, shade tree nurseries).
5. Filling in vacancies including cost of seeds and nursery (excluding large scale replanting and new extensions).
6. Manuring :
(a) Cost of manures
(b) Labour charges
7. (a) Spraying and dusting materials excluding equipment
(b) Labour charges
8. Other pest control measures :
(a) Materials
(b) Labour charges
9. Wages for plucking
10. Manufacturing charges
11. Packing
12. Transport charges
13. Interest charges for the year
14. Land tax
15. Clerical and other general charges, if any

PROFORMA 'B'

Enquiry into existing indebtedness of tea growers holding less than 100 acres

1. Date of enquiry..... 2. Village..... 3. Taluk, District and State.....

4. Name of property owner/Lessee..... 5. * Area of holding owned and/or on lease under Coffee-Tea-Rubber-other crops

Serial No.	Original amount borrowed	Year of borrowing	Rate of interest	From whom borrowed (Private money lender, tea broker, Banks, others)	Nature of security given (Personal Surety, crops, lands Government securities etc.)	Amount repaid	Source of repayment by sale of produce or land or reborrowing or otherwise	Balance due	Remarks
------------	--------------------------	-------------------	------------------	--	---	---------------	--	-------------	---------

NOTE.—The entries in the several columns should give the relevant particulars for each loan separately which has not been discharged in the course of the year. In the remarks column should be given information about the purposes for which the loans were taken (Family expenses, tea land development, buildings, equipment, repayment of past debts, purchase of land, others).

* Information about the areas under Tea, Coffee, Rubber and other crops should be furnished separately.

PROFORMA 'C'

Statement relating to small holders of tea lands who have sold part of their tea lands during the last 10 years

Name :-

Village, Taluk, District and State :—

Area owned at present by the seller under tea- coffee-rubber-other crops	Area in acres pre- viously cultivated but abandoned for want of funds to- gether with year of abandonment	Area of tea land sold during the last ten years and year of sale	Amount for which sold	To whom sold (tea planter or Company or Local land holder or money lender or others)
---	--	---	--------------------------	---

APPENDIX VII

PROFORMA 'A'

Cost of production of owners holding less than 100 acres of coffee lands

NOTE.— (1) Where the owner and his family give their own labour, it should be excluded in calculating labour charges.

(2) Charges may be stated to the nearest rupee.

1. Name of owner :
2. (a) Area owned in acres,
 - (b) Of which area, area under coffee—(a) Bearing (1) Arabica.
(2) Robusta.
(b) Non-bearing (1) Arabica.
(2) Robusta.
3. Crop in cwts. for the year 1954-55— (a) Arabica.
(b) Robusta.
4. General field works (labour charges) (Pruning, hoeing, forking, weeding, trenching, uprooting old plants, shadowing, shade tree nurseries).
5. Filling in vacancies including cost of seeds and nursery (excluding large scale replanting and new extensions).
6. Manuring :
 - (a) Cost of manures.
 - (b) Labour charges.
7. Spraying and dusting materials excluding equipment:
 - (a) Materials.
 - (b) Labour charges.
8. Other pest control measures :
 - (a) Materials.
 - (b) Labour charges.
9. Wages for gathering.
10. Estate processing (Drying, pounding, etc.)
11. Transport charges to Collecting Depots or Curing Works.
12. Interest charges for the year.
13. Land tax.
14. Clerical and other general charges, if any.

PROFORMA 'B'

Enquiry into existing indebtedness of coffee growers holding less than 100 acres

1. Date of enquiry.....2. Village.....3. Taluk, District and State.....
4. Name of property owner/Lessee 5.* Area of holding owned and/or on lease under Coffee-Tea-Rubber-other crop

Serial No.	Original amount borrowed	Year of borrowing	Rate of interest	From whom borrowed (Private money lender, curers Banks, others)	Nature of security given (Personal, Surety crops, lands, Government securities, etc.)	Amount repaid	Source of repayment by sale of produce or land or reborrowing or otherwise	Balance due	Remarks
------------	--------------------------	-------------------	------------------	---	---	---------------	--	-------------	---------

NOTE.—The entries in the several columns should give the relevant particulars for each loan separately which has not been discharged in the course of the year. In the remarks column should be given information about the purposes for which the loans were taken (Family expenses, coffee land development, buildings, equipment, repayment of past debts, purchase of land, others).

*Information about the areas under Coffee, Tea, Rubber and other crops should be furnished separately.

PROFORMA 'C'

Statement relating to small holders of Coffee lands who have sold part of their coffee lands during the last 10 years

Name :

Village, Taluk, District, and State:—

Area owned at present by the seller under coffee-tea-rubber other crops	Area in acres pre- viously cultivated but abandoned for want of funds to- gether with year of abandonment	Area of coffee land sold during the last ten years and year of sale	Amount for which soid	To whom sold Coffee (planter or company or local land holder or money lender or others)
--	--	--	--------------------------------	--

APPENDIX VIII

PROFORMA A

Cost of production of owners holding less than 100 acres under Rubber

NOTE.— (1) Where the owner and his family give their own labour it should be excluded in calculating labour charges.

(2) Charges may be stated to the nearest rupee.

1. Name of owner :
2. (a) Area owned in acres,
(b) Of which area, area under Rubber (a) Bearing,
(b) Non-bearing.
3. Yield (D.R.C.) in lbs. for the year 1954-55.
4. General field works (labour charges), (weeding, trenching, uprooting old trees, nurseries, etc.)
5. Filling in vacancies including cost of seeds and nursery (excluding large scale replanting and new extensions).
6. Manuring :
(a) Cost of manures,
(b) Labour charges.
7. (a) Spraying and dusting materials excluding equipment.
(b) Labour charges.
8. Other pest control measures :
(a) Materials,
(b) Labour charges.
9. Wages for tapping and collecting rubber.
10. Cost of converting into smoked sheets.
11. Transport charges to selling centres.
12. Interest charges for the year.
13. Land tax.
14. Clerical and other general charges, if any.
15. Any other charges*.

*Please give details.

PROFORMA 'B'

Enquiry into existing indebtedness of rubber growers holding less than 100 acres

1. Date of enquiry.....2. Village.....3. Taluk, District and State.....
4. Name of property owner/Lessee 5. *Area of holding owned and/or on lease under Rubber-Tea-Coffee-other crops

Serial No.	Original amount borrowed	Year of borrowing	Rate of interest	From whom borrowed (Private money lender, dealer, Banks, others)	Nature of security given (Personal, Surety crops, lands Government securities, etc.	Amount repaid	Source of repayment by sale of produce or land or reborrowing or otherwise	Balance due	Remarks

NOTE.—The entries in the several columns should give the relevant particulars for each loan separately which has not been discharged in the course of the year. In the remarks column should be given information about the purposes for which the loans were taken. (Family expenses, rubber land development buildings, equipment, repayment of past debts, purchase of land, others.)

*Information about the areas under Rubber, Tea, and Coffee, and other crops should be furnished separately.

PROFORMA 'C'

Statement relating to small holders of Rubber lands who have sold part of their rubber lands during the last 10 years

Name:—

Village, Taluk, District, and State:—

Area owned at present by the seller under coffee-tea-rubber- other crops	Area in acres pre- viously cultivated but abandoned for want of funds to- gether with year of abandonment	Area of rubber land sold during the last ten years and year of sale	Amount for which sold	To whom sold (Rubber planter or Company or Local landholder or money lender or others)
---	--	--	--------------------------	---

APPENDIX IX

List of Tea, Coffee and Rubber estates whose figures of production costs were taken up for scrutiny by the staff of the Cost Accounts Officer, Government of India

TEA ESTATES

Name of Estate	Acreage	Name of Managing Agents/ Proprietor
1. New Chumta Tea Estate (Terai-West Bengal)	509.49	M/s. Davenport & Co., Ltd.
2. Tirrihannah Tea Estate (Terai-West Bengal) .	563.00	M/s. McLcod & Co., Ltd.
3. Lebong Tea Estate (Darjeeling-West Bengal) .	400.00	M/s. Aryan Planters Agency.
4. Nagri Tea Estate (Darjeeling-West Bengal) .	758.43	M/s. James Finlay & Co., Ltd.
5. Pandam/Aloobari Tea Estate (Darjeeling-West Bengal).	355.35	M/s. Goenka & Co.
6. Rungli Rungliot Tea Estate (Darjeeling-West Bengal).	341.00	M/s. Duncan Bros. & Co., Ltd.
7. Tukvar Tea Estate (Darjeeling-West Bengal) .	1,723.80	M/s. Williamson Magor & Co., Ltd.
8. Dalmore Tea Estate (Dooars-West Bengal) .	951.00	M/s. Octavious Steel & Co., Ltd.
9. Hossainabad Tea Estate (Dooars-West Bengal)	355.00	M/s. Hossainabad Tea Co.
10. Jaybirpara Tea Estate (Dooars-West Bengal) .	607.00	M/s. Andrew Yule & Co., Ltd.
11. Madhu Tea Estate (Dooars-West Bengal) .	604.43	M/s. Rays Ltd.
12. Nangdala Tea Estate (Dooars-West Bengal)	968.00	M/s. Macneill & Barry Ltd.
13. Aenakhall Tea Estate (Cachar-Assam) .	2,164.50	M/s. Jardine Henderson Ltd.
14. Kalline Tea Estate (Cachar-Assam) .	907.00	M/s. Macneill & Barry Ltd.
15. Madanpur Tea Estate (Cachar-Assam) .	195.75	M/s. All India Tea & Trading Co., Ltd.
16. Tilkah Tea Estate (Cachar-Assam) .	951.00	M/s. Daga & Co. Ltd.
17. Anand Tea Estate (Lakhimpur-Assam) .	311.93	M/s. Andrew Yule & Co., Ltd.
18. Achabam Tea Estate (Lakhimpur-Assam) .	659.70	M/s. James Finlay & Co., Ltd.
19. Barbooraoah Tea Estate (Lakhimpur-Assam).	605.00	M/s. Macneill & Barry Ltd.
20. Deckhari Tea Estate (Lakhimpur-Assam) .	968.00	M/s. James Warren & Co., Ltd.
21. Harishpur Tea Estate (Lakhimpur-Assam) .	140.00	Shri B. C. Bagchi.
22. Jutlibari Tea Estate (Lakhimpur-Assam) .	902.88	M/s. Gillanders Arbuthnot & Co., Ltd.
23. Mand Tea Estate (Lakhimpur-Assam) .	317.37	M/s. Lohia Bros. Ltd.

TEA ESTATES

Name of Estate	Acreage	Name of Managing Agents/ Proprietor
24. New Cinatollia Tea Estate (Lakhimpur-Assam)	721.82	M/s. Duncan Bros. & Co., Ltd.
25. Rungli-Ting Tea Estate (Lakhimpur-Assam)	345.97	M/s. Hanuman Bux Soorajmal Ltd.
26. Umatara Tea Estate (Lakhimpur-Assam)	375.90	M/s. Umatara Tea Co., Ltd.
27. Kopati Tea Estate (Darrang-Assam)	285.70	M/s. Jardine Henderson Ltd.
28. Majulighur Tea Estate (Darrang-Assam)	941.79	M/s. Williamson Magor & Co., Ltd.
29. Abhoyjan Tea Estate (Sibsagar-Assam)	328.52	M/s. Abhoyjan Tea Co., Ltd.
30. Borahi Tea Estate (Sibsagar-Assam)	481.86	M/s. Borahi Tea Co., Ltd.
31. Gatoonga Tea Estate (Sibsagar-Assam)	1,470.00	M/s. Williamson Magor & Co., Ltd.
32. Salonah Tea Estate (Nowgong-Assam)	1,998.28	M/s. Mackinan & Machinzo & Co., Ltd.
*33. Allada Valley Tea Estate (Nilgiris-Madras)	1,110.86	M/s. T. Stanes & Co., Ltd.
*34. Bhawani/Katary Tea Estate (Nilgiris-Madras)	1,090.83	M/s. A. V. Thomas & Co., Ltd.
*35. Burnside Tea Estate (Nilgiris-Madras)	253.25	M/s. Matheson Bosanquet & Co., Ltd.
*36. Deepdale Tea Estate (Nilgiris-Madras)	138.70	M/s. T. Stanes & Co., Ltd.
*37. Silver Cloud Tea Estate (Nilgiris-Madras)	223.13	Mr. G. J. Coelho.
*38. Chambera-Peak Tea Estate (Malabar-Madras)	1,336.00	M/s. Pierce, Leslie & Co., Ltd.
*39. Kurchermalla Tea Estate (Malabar-Madras)	212.00	M/s. Ipe Oomen & Co., Ltd.
*40. Kadalaparai Tea Estate (Coimbatore-Madras)	727.75	M/s. James Finlay & Co., Ltd.
*41. Algeswara Tea Estate (Mysore)	481.11	M/s. Ramani & Co. Ltd.
*42. Kelagur Tea Estate (Mysore)	325.00	M/s. S. L. Mathias & Sons.
43. Cheenthallar Tea Estate (Travancore-Cochin)	1,564.23	M/s. Aspinwall & Co., (Travancore) Ltd.
*44. Karimatharuvi Tea Estate (Travancore-Cochin).	491.90	M/s. John Sons' Estates & Co., Ltd.
45. Madupatty Tea Estate (Travancore-Cochin)	1,024.25	M/s. James Finlay & Co., Ltd.

COFFEE ESTATES

1. Byrakhan (Dodkhan & Kathlekhan) Coffee Estate (Mysore)	539.0	M/s. A. V. Thomas & Co., (Mysore) Ltd.
2. Bokekhan Coffee Estate (Mysore)	230.0	Dr. G. M. Prabhu.
3. Bettadamane Coffee Estate (Mysore)	200.0	Miss W. Woodbridge.
4. Dewan Coffee Estate (Mysore)	110.0	Shri A. N. Varadarajulu.
5. Gudithotta Coffee Estate (Mysore)	220.0	M/s. Young India Agencies Ltd.
6. Harmakky Coffee Estate (Mysore)	130.0	Shri Raghupati Hebbar.
7. Goodannie Coffee Estate (Madras)	357.0	M/s. Bombay-Burma Trading Co., Ltd.
8. Inglewood Coffee Estate (Madras)	110.0	M/s. Hills Produce Co., Ltd.
9. Kombutuki Coffee Estate (Madras)	150.0	Mr. M. Cayley
10. Manalaru Coffee Estate (Madras)	335.0	M/s. A.V. Thoms & Co., Ltd.

*These are mixed estates. The areas shown against them are those under tea.

COFFEE ESTATES

Name of	Acreage	Managing Agents/ Proprietor.
11. Narikallu Coffee Estate (Madras)	164.0	Major D.N. Pitcairn.
12. Rookery Group Coffee Estate (Madras)	609.0	M/s. Peirce Leslie & Co., Ltd.
13. Sutan Coffee Estate (Madras)	50.0	M/s. A.V. Thoamas & Co., (India) Ltd.
14. Balmany Coffee Estate	272.0	M/s. Consolidated Coffee Estates(1943) Ltd.
15. Cottabetta Coffee Estate	780.0	
16. Woshully Coffee Estate (Coorg)	565.0	
17. Balagunda Coffee Estate (Coorg)	230.0	Shri D. V. Dasapa.
18. Kusubur Coffee Estate	170.0	Shri D. Siddanna.
19. Cumbur Coffee Estate (Coorg)	242.0	

RUBBER ESTATES

1. Chenapady Rubber Estate (Travancore-Cochin)	252.10	M/s. Padijarekhara Estate, Ltd.
2. Chemmani Rubber Estate (Travancore-Cochin)	230.32	M/s. Vanchinad Rubber & Produce Co., Ltd.
3. Chenikkunnu Rubber Estate (Travancore-Cochin.)	127.00	Mrs. M.A. Chacko.
4. Kerla Rubber Estate (Travancore-Cochin)	1,980.10	M/s. Pierce Leslie & Co., Ltd.
5. Kumbazha Rubber Estate (Travancore-Cochin)	1,381.50	M/s. Harrisons & Crossfields Ltd.
6. Kuppakayam Rubber Estate (Travancore-Cochin.)	1,363.12	M/s. Aspinwall & Co., Ltd.
7. Kanambra Rubber Estate (Travancore-Cochin)	329.00	M/s. A.V. George & Co., Ltd.
8. Korangode Rubber Estate (Travancore-Cochin)	207.70	Mr. K. V. Abraham.
9. Kellemkulam "C" Rubber Estate (Travancore-Cochin).	148.17	Shri K. V. Chacko.
10. Kesava Giri Rubber Estate (Travancore-Cochin)	125.0	Mrs. M. K. Gopala Pillai.
11. Mukampala Rubber Estate (Travancore-Cochin.)	362.23	M/s. A. V. Thomas & Co., Ltd.
12. Pathanapuram Rubber Estate (Travancore-Cochin.)	222.94	M/s. A. V. George & Co., Ltd.
13. Pareekanni Rubber Estate (Travancore-Cochin.)	726.50	Shri K. George Thomas.
14. Plapally Rubber Estate (Travancore-Cochin)	136.30	Mr. K. K. Abraham.
15. Pioneer Rubber Estate (Travancore-Cochin)	450.00	Shri S. Kumaraswamy.
16. Vengathanam Rubber Estate (Travancore-Cochin.)	360.00	Mr. K. J. Abraham.
17. Vellanadi Rubber Estate (Travancore-Cochin)	665.76	M/s. Tropical Plantation, Ltd.

APPENDIX X

List of estates visited, Associations of growers and workers, officers of State Governments and Statutory Bodies, with whom meetings were held during the tours

TEA ESTATES

Assam :

	<i>Date</i>
Dessai & Parbuttia	29-10-54
Hoolungooree	30-10-54
Negheriting	30-10-54
Haroocharai	30-10-54
Borkatonee Division of Kingsley	1-11-54
Goneshbari (Dibrugarh)	5-11-54
Hilika (Dibrugarh)	6-11-54
Dhocdaam (Dibrugarh)	6-11-54
Dekorai Division of Bishnauth Tea Co., Tezpur	8-11-54
Durrung (Tezpur)	9-11-54
Tezpur & Gogra (Bengal United Tea Co.) Tezpur	9-11-54
Gopal Krishna (Gauhati)	10-11-54
Sonapur (Gauhati)	10-11-54
Silcoorie (Silchar)	11-11-54
Maniknagar (Silchar)	12-11-54
Jatinga Valley Tea Co., Ltd. (Koomber Division) Silchar	13-11-54
Arcuttipore (Silchar)	13-11-54
Bwarbund, Silchar	14-11-54
Macklipara, Agartala	16-11-54
Fatickcharra, Agartala	17-11-54
Debendranagar, Agartala	17-11-54
Adarini, Agartala	17-11-54

Travancore-Cochin :

Manalaroo	7-12-54
M/s. Kanan Devan's, Munnar	10-12-54
Talliar	11-12-54
Churakulam	} 13-12-54
Periyar	
Semni Valley	} 14-12-54
Karimtharuvi	
Penshurst	

<i>Madras State :</i>	<i>Date</i>
Karamalai, Valparai	30-3-55
Sholayar, Valparai	31-3-55
Nonsuch, Coonoor	2-4-55
Glendale, Coonoor	2-4-55
Woodcote, Coonoor	2-4-55
Shri N. Lingiah's Estate	3-4-55
Manjoor, Coonoor	3-4-55
Clovelly, Nilgiris	4-4-55
Kairbetta	4-4-55
Devarshola	5-4-55
<i>West Bengal :</i>	
Bagracote	17-5-55
Sathkyah	17-5-55
Mohanlal Ramchandra	18-5-55
Nangdala	18-5-55
Ambari	
Huldibari	
Dheklapara	19-5-55
Mogulkata	
Kalchini	
Madhu	
Chuapara	20-5-55
Rungli Rungliot (Managers of Teesta Valley Gardens)	21-5-55
Happy Valley	
Rangneet	
Avongrove	Darjeeling 23-5-55
Nagri Spur	
Selimbong	Darjeeling 24-5-55
Kurseong	
Makiabari	(Meeting with Managers of nearby estates also).
Singell	
Mohurgong	30-5-55
Gulma	30-5-55
Nischintapur	30-5-55
Kamala	31-5-55

*West Bengal—contd.**Date*

Matidhar	31-5-55
Ganga Ram	31-5-55
Tirrihannah	31-5-55
Karnalapur	31-5-55

Kangra Valley :

Dharamshala	27-6-55
Holta, Palampur	28-6-55
Bajjnath (Bajjnath)	28-6-55
Small holdings	29-6-55

COFFEE ESTATES

Travancore-Cochin :

Pothundu	7-12-54
Seethagundy	7-12-54
Talliar	11-12-54

Mysore State :

Vasantcool	} 4-2-55
Santawary and other small estates near Kemengundi	
Merthikhan	7-2-55
Devadhanam	7-2-55
Biccode	9-2-55
Mattavara	9-2-55
Kakanman	9-2-55
Kenchanamane	9-2-55
Thotadagadde	10-2-55
Karadibetta	10-2-55
Small holdings near Somawarpet	10-2-55
Koorghully	11-2-55
Haradoor	11-2-55
Pollibetta group	12-2-55
Balliabani	13-2-55
Peramboocolly	13-2-55

Madras State:

Coffee small holdings near Mangalakombu, Pattiveeranpatti	26-3-55
Clovelly (Nilgiris)	4-4-55
Coffee small holdings (Wynaad)	6-4-55
Pattivayal, Wynaad	6-4-55

Madras State—contd.

Date

Padiripara Division (Vijayamandiram)	Wynaad	.	.	.	.	.		7-4-55
Sunnyside, Wynaad	.	.	.	.	.	.	.	7-4-55
Cascade	.	.	.	.	.	.	}
Highfield	.	.	.	.	.	.
Hawthorne	.	.	.	.	.	.	Yercaud	9-4-55
Cararra	.	.	.	.	.	.
Scotforth	.	.	.	.	.	.
Stanmore	.	.	.	.	.	.

Travancore-Cochin :

RUBBER ESTATES

[illegible]

Madras State :

[illegible]

'GROWERS' ASSOCIATIONS'

Assam Branch of I.T.A. Jorhat	2-11-54
-------------------------------	---------

	<i>Date</i>
A.B.I.T.A.—Zone 1 & A.T.P.A., Dibrugarh	6-11-54
A.B.I.T.A.—Zone 3, Tezpur	9-11-54
I.T.A. (Surma Valley Branch) Silchar	14-11-54
Surma Valley Indian Tea Planters' Association, Silchar	14-11-54
Tripura Tea Association, Agartala	17-11-54
Association of Planters of Travancore, Kottayam	16-12-51
Small Growers' Association, Kanjirapally	20-12-54
Central Travancore Agriculturists medium and small holders, Kanjirapally	20-12-54
Quilon District Planters' Association, Punalur	21-12-54
Kalicut—Mukkampala Planters' Association, Trivandrum	24-12-54
Association of Planters of Travancore	28-12-54
Small Growers of Coffee	26-3-55
Palni-Bodi-Sirumalai Planters' Association, Pattiveeranpatti	26-3-55
Anamallai Planters Association, Valparai	30-3-55
U.P.A.S.I., Coonoor	1-4-55
Nilgiris Planter's Association, Coonoor	3-4-55
Nilgiri Small Tea Growers' Association, Coonoor	3-4-55
Nilgiri Wynaad Planters' Association	5-4-55
Wynaad—Planters' Association, Meppadi	6-4-55
Wynaad Coffee Growers' Association Kalpetta	7-4-55
Shevaroy Planters' Association, Yercaud	10-4-55
General Committee of Dooars Branch, I.T.A. (Central Dooars Club)	19-5-55
Darjeeling Branch Committee of I.T.A. and Planters of nearby estates	28-5-55
I.T.P.A., Jalpaiguri	30-5-55
Teraí Planters Association (Teraí Club)	31-5-55
Kangra Valley Tea Planters Association, Palampur	30-6-55
Coorg Planter's Association, Mercara	} 13-2-55
Indian Planters Associations, Mercara	
Robusta Growers' Association, Mercara	13-2-55

State Governments, Statutory Bodies, etc.

Shri Sukhamoy Sen Gupta, Adviser to the Chief Commissioner, Tripura (Agartala)	17-11-54
Shri S. K. Mallick, I.C.S., Secretary, Department of Industries and Labour, Government of Assam, Shillong.	19-11-54
Mr J. S. Hardman, Indian Tea Association	19-11-54
62—2 M of C & I	

	<i>Date</i>
Mr. P. D. Stracey, Conservator of Forests	19-11-54
Shri S. K. Mallick, I.C.S., Secretary, Department of Industries and Labour (Assam Government).	
Shri S. Majid, Director of Agriculture, (Assam Government)	19-11-54
Shri S. K. Mallick, I.C.S., Secretary, Department of Industries and Labour, (Assam Government).	
Shri Vernessey, State Finance Corporation	19-11-54
Shri S. K. Mallick, I.C.S., Secretary, Department of Industries and Labour (Assam Government).	
Shri J. Gogoi, Deputy Registrar of Co-operative Societies	19-11-54
Shri S. K. Mallick, I.C.S., Secretary, Department of Industries and Labour, (Assam Government).	
Shri K. Roy, Controller of Emigrant Labour	19-11-54
Shri S. K. Mallick, I.C.S., Secretary, Department of Industries and Labour (Assam Government).	
Chief Minister, other Ministers and officials of Assam Government, Shillong	19-11-54
Indian Rubber Board	17-12-54
Chief Minister, other Ministers and officials of the Travancore-Cochin Government, Trivandrum.	25-12-54
Officials of the Madras Government, Madras	11-4-55
Liaison Officer, Coffee Board, Saklespur	10-2-55
Superintendent of Central Excise, Mercara	11-2-55
Ministers, Chief Commissioner and other officers of Coorg Government	12-2-55
Joint Controller of Licensing, Tea Board, Cochin	19-2-55
Coffee Board, Bangalore	23-2-55
Officials of Mysore Government, Bangalore	24-2-55
Central Food Technological Institute, Mysore	1-2-55
Assistant Coffee Marketing Officer, Mysore	1-2-55
Coffee Research Station, Coffee Board, Balchonnur	6-2-55
Deputy Superintendent of Central Excise, Darjeeling	25-5-55
Assistant Labour Commissioner (Government of West Bengal) Darjeeling	25-5-55

Labour Unions

Assam Chah Karamchari Sangh, Jorhat	31-10-54
Chah Mazdoor Sangh, Jorhat, Assam Branch of I.N.T.U.C.	31-10-54
Assam Branch of I.N.T.U.C., Dibrugarh	5-11-54
Local representative of I.N.T.U.C., Tezpur	7-11-54
Indian National Plantation Workers' Federation, Silchar	12-11-54

	<i>Date</i>
Tripura Chah Mazdoor Union, (I.N.T.U.C.), Agartala	17-11-54
Tripura Chah Sramik Union (I.N.T.U.C.), Agartala	17-11-54
Rubber Estate Workers' Congress Plannilly	8-12-54
High Range Workers' Union, Munnar	11-12-54
Devikulam—Peermade Kanganys' Association, Munnar	11-12-54
High Range Branch of the Estate Staff Union of South India, Munnar	11-12-54
Peermade Taluk Estate Labour Union (INTUC)	13-12-54
Regional Secretary of the Estates Staff Union of South India, Kottayam	16-12-54
Punalur Branch of the All-Travancore Estate Workers' Union, Punalur	21-12-54
A.K.T.T. Union	22-12-54
Tirunelveli & Madura Districts National Plantation Workers' Union, Madura	28-3-55
Estate Staff Association of South India, Coonoor	4-4-55
Salem District Estate Workers' Union, Yercaud	10-4-55
President All Coorg Estates Union, Mercara	12-2-55
Mysore State Plantation Labour Union, Chik-magalur	5-2-55
Mysore Planters' Association	} 5-2-55
Indian Planters' Association	
Tea Gardens Indian Employees Association, (Kalchini)	20-5-55
Darjeeling District Chai Kaman Mazdoor Union, Darjeeling	} 25-5-55
Darjeeling Chiya Kaman Shramik Sangha, (Assistant Labour Commissioner also present).	
'Terai Chah Shramik Samiti	30-5-55
'Terai Chah Bagon Korichi Sangh	30-5-55
Dooars Tea Garden Indian Employees Association	30-5-55
West Bengal Chah Shramik Union (Led by Deven Sarkar).	30-5-55

Others

Tocklai Experimental Station	1-11-54 and 2-11-54
Dhekiakhowa Tea Factory	3-11-54
Hospital of Bokal Division of Jokai (Assam) Tea Co.	4-11-54
Assam Tea Trading Co., Dibrugarh	5-11-54
Delakhat Tea Seed Garden	5-11-54
Jokail Central Hospital, Dibrugarh	5-11-54
Luback Central Hospital, Silchar	13-11-54
Witnessing of Tea auctions at Calcutta	22-11-45
Tea Quota Ltd., Calcutta	22-11-54

	<i>Date</i>
Warehouse & Departmental Head Office of M/s. Balmer Lawrie Co., Calcutta . }	22-11-54 & 23-11-54
M/s. Sudhir Chatterjee & Co. Ltd., Calcutta.	23-11-54
M/s. Brook Bond Ltd., Calcutta	23-11-54
M/s. Davis & Co. (Rubber dealers)	9-12-54
Harijan Seva Sangh, Munnar	11-12-54
Kuppakayam Rubber Factory	15-12-54
National Tyre and Rubber Co., Kottayam	16-12-54
M/s. T. D. Mathew & Co., Kottayam	16-12-54
West Coast Traders, Kottayam	16-12-54
Bata's Rubber Purchasing Department, Kottayam	16-12-54
Dunlop Rubber Co. (Purchasing Department) Kottayam	17-12-54
Kerala Planning Bureau, Kottayam	17-12-54
Kottayam Tea Trade Association, Kottayam.	17-12-54
Latex Factory belonging to the Chennpadi Estate	19-12-54
Paraten Corporation's Latex Factory	19-12-54
Kalliarkal Tea Factory, Kanjirapally	20-12-54
Tea Factory in Nagamally Estate	22-12-54
Travancore Rubber Works, Trivandrum	24-12-54
Chamundi Curing Works, Mysore	1-2-55
Hunsur Coffee Curing Works, Hunsur	2-2-55
Registered Coffee Dealers of Chikmagalur	5-2-55
Aldur Coffee Collection Depot, Aldur	6-2-55
Balanoor Tea and Rubber Co., Ltd., Balehonnur	8-2-55
Coffee Collecting Depot, Belur	9-2-55
Crawford Hospital, Saklespur	10-2-55
Coffee Collecting Depot., Balupet	10-2-55
Government Hospital, Madapur	11-2-55
Chethalli Coffee Research Sub-station, Chethalli	13-2-55
Curing Works of M/s. Volkart Bros., Mangalore	14-2-55
Curing Works of M/s. P.F.X. Saldanhas, Mangalore	14-2-55
Curing Works of M/s. A. J. Saldanhas, Mangalore	14-2-55
Coffee Curers' Association, Mangalore	15-2-55
Curing Works of M/s. Peire Leslie & Co. Ltd., Mangalore	15-2-55

Kanara Chamber of Commerce, Mangalore	
Mangalore Coffee Produce, Merchants' Association, Mangalore	
M/s. Aspinwal & Co., Ltd., Mangalore	15-2-55
Curing Works of M/s. Peirce Leslie & Co. Ltd., Kozhikode	17-2-55
Curing Works of M/s. L. R. Rangaier & Sons Ltd., Kozhikode	17-2-55
Vice President of Malabar District Co-operative Produce Sales Society Ltd., Kozhikode.	17-2-55
Tea Trade Association of Cochin, Kozhikode	21-2-55
M/s. Forbes, Ewart & Figgis, Ltd., Cochin	21-2-55
Warehouse of M/s. Peirce Leslie & Co., Ltd., Cochin	21-2-55
M/s. Aspinwal & Co. Ltd., Cochin	21-2-55
Tea Auctions at Cochin by M/s. Caritt Moran & Co. Ltd., and M/s. Forbes, Ewart & Figgis, Ltd.	22-2-55
Mysore Chamber of Commerce, Bangalore	22-2-55
Curers' Association, Bangalore	23-2-55
Chamber of Registered Coffee Dealers of India, Bangalore	23-2-55
Pattiveernapatti Co-operative Coffee Curing Industrial Society Ltd.	} 26-3-55
Joseph Curing Works	
Chandra Coffee Curing Works	
Coffee Local Auction	
Retail Coffee Powder Dealers	
Wholesale Coffee Dealers	} Madura 28-3-55
Narayana Coffee Works	
Brooke Bond's Packing & Blending Factory	
Stanis Curing Works	} Coimbatore 29-3-55
Anupura Coffee Works Ltd.	
Coimbatore Co-operative Stores & Bank Ltd., Coimbatore	31-3-55
Coffee Dealers, Coimbatore	31-3-55
Rahamania Coffee Works, Mettupalayam	1-4-55
Liptons' Tea Factory, Coonoor	2-4-55

	<i>Date</i>
Raja Plantations Ltd., Katary (Coonoor)	3-4-55
Mynily Mattam Tea Factory	} 3-4-55
Bengal Mattam Tea Factory	
Coffee Board's Collection Depot, Coonoor	4-4-55
Devarshola Research Station, Devarshola	5-4-55
The Malabar District Co-operative Produce Sale Society, Kalpetta	7-4-55
Craigmore Hospital	9-4-55
Small-growers of Coffee, Chencaud Village, Yercaud	10-4-55
Sakamma Coffee Works, Bangalore and other roasting establishments in Bangalore	23-2-55
Bhatpara Central Hospital (Dooars)	20-5-55
Shri D. P. Ghosh, Member, Tea Board	30-5-55
Shri S. N. Mozumdar, M. P.	
Government Experimental Tea Farm, Palampur	28-6-55

APPENDIX XI

Terms and conditions of land grants for tea cultivation in different States

Assam

Under the 1st Special Grant Rules 1838 no grant was to be made of a lesser extent than 100 acres or of a greater extent than 10,000 acres, one-fourth of the entire area was to be in cultivation by the expiration of the fifty years from the date of grant, on failure of which the whole grant was liable to re-sumption. One fourth of the grant was to be held in perpetuity revenue-free. On the remaining three-fourths no revenue was to be assessed for the 1st Five years if the land was under grass, ten years if under reeds and high grass, and twenty years if under forest.

Under the Old Assam Rules of 1854 no grant was to be for less than 500 acres in extent (afterwards reduced to 200 acres, or even 100 acres in special cases). There was a further deviation from the Rules of 1838 inasmuch as in these rules of 1854, the remaining $\frac{3}{4}$ th of the land was granted revenue-free for fifteen years, to be assessed thereafter at 3 annas an acre for 10 years and at 6 annas an acre for seventy-four years more, after which the grant was to be subject to re-survey and settlement.

These rules were extended to Sylhet and Cachar in 1856, and were in force till 1861, when they were superseded by rules for grants in fee-simple, which *inter alia* allowed the holders to redeem their revenue payments. Uptill now 265 grants, with an area of 2,80,730 acres have thus been redeemed, and 29 grants, with an area of 27,521 acres (most of which are in Cachar), remain upon the original terms.

A fresh set of rules was issued on the 30th August 1863, which provided that the lot of lands should be put up to auctions. Revised Fee-Simple Rules issued in Feb. 1874 raised the upset price of land sold to Rs. 8/-/- per acre. Again in 1876 new rules were framed under which the land was leased for 30 years at progressive rates and the lease was put up to sale by auction. These rules were revised and reissued under section 12 and 29 as Section of the Settlement Rules of 1887. In recent years the increasing scarcity of land has led to a complete reconsideration of the position, with the result that special terms are no longer offered to applicants for grants for special cultivation but a premium on all lands so taken up is charged.

Travancore-Cochin

In Travancore-Cochin leases are issued by State Forest Department and the Land Revenue Department. Whereas there is no standard form for lease deed issued by the latter, salient features of the form of lease deed in respect of the forest lands are given below:—

1. For eight years the lessee has to pay annas 8 per acre per annum and from the commencement of the 9th year Rs. 1/8/- per acre per annum and from the 12th year and onwards Rs. 2 per acre per annum. These charges are to be paid on the whole land regardless of the planted acreage or yield therefrom.

2. The lessee may raise any catch crop as shall not in the opinion of the Conservator of Forests be likely to render the land so cultivated permanently unfit for the growth of valuable timber tree provided that in such cases the lessee shall pay an extra assessment of Rs. 1/8/- on each acre so cultivated in each year.
3. If such catch crop is planted which is likely to render the land permanently unfit for the growth of the valuable timber tree, the lessee shall be liable to pay a fine of Rs. 5 per every acre so cultivated and crops rent of Rs. 2 per acre per annum for the land so relinquished from the day on which the lease shall be deemed to have commenced to the day on which the notice to the lessor that they have relinquished it is determined, after deducting any assessment that has been paid in accordance with ordinary lease terms.
4. If any portion of the land has been cleared wholly or partially and not planted, the lessee shall pay a tree value of Rs. 15 per acre for such portion.

Mysore

No application is entertained for an area larger than 500 acres in the case of tea, and 200 in the case of coffee, cinchona or rubber except in the special cases. The land is sold by public auction subject to an upset price of Rs. 20 per acre. In case of applications from the depressed classes and bonafide cultivators of small means, when the extent applied for is 15 acres or below in each case, the minimum upset price is Rs. 12/8/- per acre. When the Deputy Commissioner grants land to an applicant belonging to the Depressed Classes, conditions are put that he will not alienate or lease out the lands for a period of 15 years. For others, alienation may be made with the permission of Government.

Deputy Commissioner may dispose of lands by public auction up to a limit of 50 acres. The upset price shall include right of Government to all reserved trees except sandal which shall always be reserved absolutely to Government.

The Deputy Commissioner may grant to the holder of an estate, on a fair valuation and without an auction any moderate extent of *kharab* land adjoining his farm which may be unfit for coffee cultivation, but required bonafide for the purpose of coffee business, such as (1) drying grounds, (2) pulper building and washing cisterns (3) store buildings (4) cooly lines and (5) Bungalows. If the grant for such purposes is more than 10 acres previous sanction of the Government is necessary.

All rates and taxes other than land revenue as are or may be imposed by law, for municipal or other local purposes are to be paid by the grantee. The grantee has no right to the title or interest in precious stones, gold and other minerals or coal or stone or rock containing or supposed to contain precious stones, gold or other minerals or coal known to exist or which may at any time, after the lease has been granted, be discovered on or under the land. And if the Government decides to work any mine upon the land either by itself or its servants, agents etc. it has full right to do so and have all the rights necessary for and incidental to such operations.

Madras

In Madras State the rent has been generally fixed at Re. 1 per acre, and except for general provisions like reservation of claim by the lessor on the mines, tusks and bones of dead elephants and wild animals, and right to capture wild animals and elephants, no special conditions have been fixed.

West Bengal

Important conditions of grant of lease for cultivation in Jalpaiguri and Darjeeling are given below:—

1. The lessee, his agent or Manager, has to reside on or near the land and the name of such person is to be registered with the Deputy Commissioner.
2. Lessee has to clear and actually plant with tea 5% of the area within 2 years, 10% within 3 years and 15% before the termination of the period. Payment for the standing timber will be made by the lessee in instalments.
3. The lessee is not permitted to establish any market or hat on the land without the express permission in writing from the Deputy Commissioner.
4. The lessee has to furnish the Deputy Commissioner with full information as to births and deaths in the lands and as to the progress of cultivation and outturn of tea in prescribed forms.
5. In accordance with the provisions of the Bengal Chaukidari Act, VI of 1870 as modified, the lessee has to provide for the Chaukidar proper and fit accommodation for residence and pay him punctually.
6. Alienations can only be made with the approval of the Deputy Commissioner.
7. If within 5 years 15% of the land is not cultivated, the land may be resumed by the Government or the lessee and his application may be allowed to hold on from year to year as tenant-at-will for a period not exceeding three years.
8. The lessee has to subscribe to the Labour Rules either of the Dooars Planters' Association or of the Indian Tea Planters' Association and the Memorandum of Agreement between the two Associations on the subject.
9. Coal, Minerals, precious stones and stones and quarries of every kind, rights of fishery in the streams, lakes and other waters are to be reserved with the grantee.

Coorg

Chief Commissioner of Coorg, Bangalore, *vide* his notification dated the 29th April 1909 has made the rules under section 42 and 143(1) (f) of Coorg Land and Revenue Regulation, 1899. Salient features of the rules are given below:—

1. Upset price of the land is Rs. 2/3/- per acre. It is free of assessment for 5 years and thereafter the assessment is Rs. 2 an acre, subject to revision after 30 years.
2. A lessee may be given option of taking up more land adjoining his estate up to a total limit of 1,000 acres. Such land must be taken within 5 years.
3. No land is leased out if it is reserved for protection of springs, preservation of hill sides etc., containing valuable timber, or being ever-green forest.

4. In the month of September each year the extent and situation of the land which is desired to be cleared is to be notified to the Forest Department and within 6 months that Department has to cut and clear the trees. If they fail the applicant is free to cut such trees (other than SANDAL) and to appropriate or sell the timber. Provided that in the case of the first demise, if the lessee wishes to begin planting at once and considers that it will hamper his operations to wait for six months until the forest department cuts and removes the trees he may request the Forest Department to mark within 2 months the trees which they wish to be reserved on an area not exceeding 100 acres and to cut them himself, leaving the Forest Department to remove the timber subsequently; provided, however, that this period of two months is between 1st December and 1st May.
5. The land is to be used primarily for purposes of agave plantation, though lessee is not precluded from cultivating other trees or crops on the land. Such cultivation must be strictly subordinated to the rearing of agave plants.
6. After the period of 999 years the land with all improvements thereon is to revert to the lessor.
7. The lessee cannot alienate the land by sale, give, mortgagage or otherwise without the previous written permission of the Government.

APPENDIX XII

Statement showing the number and acreage of Limited companies Proprietary and Partnership concerns in the membership of various Associations

S. No.	Name of Association	No. of member Co.'s/ Proprietary/Partnership concerns	No. of Estates controlled by member Co.'s/ Proprietary/Partnership concerns	Total acreage of member companies Proprietary/Partnership concerns			
				Tea	Coffee	Rubber	Other crop
1	Tripura Tea Association.	45	45	10,036	..	..	..
2	Wynaad Planters' Association.	21	32	13,153	1,584	150	25
3	The Central Travancore Planters' Association.	5	5	1,292	..	..	..
4	Mundakayam Planters' Association.	7	7	1,373	..	3,060	72
5	Shevaroy Planters' Association.	34	46	...	6,903	..	..
6	The Kanan Devan Planters' Association.	6	35	34,483	703	..	..
7	The Mysore Planters' Association.	69	135	3,744	30,019	326	..
8	Indian Tea Growers Association, Silchar.	8	9	2,935	..	..	..
9	Indian Tea Association, Calcutta.	284	527	4,32,127	..	..	..
10	Indian Tea Planters' Association, Jalpaiguri.	111	117	61,384	..	..	..
11	Sarma Valley Indian Planters' Association, Calcutta.	55	60	25,477	..	..	..
12	Dehra Dun Tea Planters' Association, Dehra Dun.	18	21	N.A.	..	..	..
13	Kangra Valley Tea Planters' Association	970	970	N.A.	..	..	..
14	The Terai Planters' Association, Darjeeling	19	24	11,186	..	..	..
15	The Assam Bengal I.T. P.A., Calcutta.	N.A.	N.A.	57,340	..	..	..
16	The Assam Tea Planters' Association, Jorhat, Assam.	N.A.	N.A.	38,629	..	..	..
17	United Planters' Association of Southern India.	392	634	1,49,039	64,274	53,445	13,320

SOURCE: Replies received from respective Associations.

APPENDIX XIII

List of Tea Traders' Organisations

1. Calcutta Tea Traders' Association.
2. Calcutta Tea Merchants' Association.
3. Cochin Tea Traders' Association.

APPENDIX XIV

Average cost of North Indian Tea—per lb.

1950

(In annas)

Item	Terai	Darjeeling	Dooars	Cachar	Assam	All-Regions
A. Cultivation—						
1 General Field Work . . .	1·27	3·44	2·96	2·23	2·48	2·56
2 Filling in vacancies . . .	0·17	0·22	0·20	0·39	0·15	0·20
3 Manuring	0·86	1·07	0·84	1·29	1·13	1·07
4 Spraying	0·06	0·09	0·03	0·18	0·05	0·07
5 Pest Control . . . . .	..	..	0·01	0·01	0·01	0·01
Less credit (replanting) . . .	..	..	0·03	0·55	0·05	0·11
TOTAL—A	2·36	4·82	4·01	3·55	3·77	3·80
B. Gathering—						
6 Plucking	2·99	5·33	3·02	3·15	2·93	3·18
7 Other charges	0·05	0·38	0·06	0·08	0·06	0·09
TOTAL—B	3·04	5·71	3·08	3·23	2·99	3·27
C. Manufacturing—						
8 Salaries and wages	0·97	1·88	0·99	1·03	0·74	0·95
9 Fuel	0·68	0·77	1·08	0·72	0·69	0·79
10 Maintenance	0·56	0·28	0·43	0·29	0·50	0·44
11 General stores	0·06	0·17	0·38	0·36	0·26	0·28
12 Other charges . . . . .	..	2·52	0·17	0·40	0·22	0·41
TOTAL—C	2·27	5·62	3·05	2·80	2·41	2·87
D. General Charges—						
13 Up-Keep	0·67	1·04	2·50	2·21	1·31	1·64
13-A Depreciation	0·65	0·74	0·44	0·65	0·59	0·52
14 Cost of Recruitment & Medical benefit.	1·47	1·04	0·73	0·96	1·32	1·12
15 Bonus—Staff	0·32	0·09	0·12	0·15	0·12	0·13
16 Bonus—Labour . . . . .	..	0·17	0·02	0·27	0·01	0·06
17 Salaries and Allowances . .	2·93	2·76	1·54	2·24	2·09	2·09
18 General and Other Expenses .	0·49	1·18	0·93	1·55	0·83	0·97
Less credit (Replanting) . . .	0·45	0·08	0·03	0·35	0·47	0·33
TOTAL—D	6·08	6·94	6·25	7·68	5·80	6·26

Item	Terai	Darjee- ling	Dooars	Cachar	Assam	All-Re- gions
E. Packing—						
19 Tea Chest	1.69	1.77	1.76	1.78	1.77	1.76
20 Other material . . . . .	..	..	0.01	..	0.01	0.01
21 Labour	0.05	0.09	0.14	0.12	0.08	0.10
TOTAL—E	1.74	1.86	1.91	1.90	1.86	1.87
F. Selling (Exclusive of duty)—						
22 Freight and transport	0.72	1.28	0.79	0.47	0.73	0.76
23 Stock and transit insurance	0.46	0.05	0.09	0.07	0.08	0.10
24 Other expenses	0.52	0.48	0.54	0.32	0.26	0.36
25 Export Quota charges	0.54	0.15	0.32	..	0.27	0.25
TOTAL—F	2.24	1.96	1.74	.86	1.34	1.47
TOTAL COST	17.73	26.91	20.04	20.02	18.17	19.54

1951

A. Cultivation—						
1 General field work	2.10	3.75	3.12	2.89	2.77	2.91
2 Filling in vacancies	0.21	0.28	0.20	0.46	0.20	0.24
3 Manuring	0.74	1.55	0.75	1.31	1.15	1.09
4 Spraying	0.05	0.04	0.02	0.10	0.07	0.06
5 Pest Control . . . . .	..	..	0.01	0.02	0.04	0.03
Less Credit (Replanting) . . . . .	..	..	0.03	0.33	0.06	0.08
TOTAL-A	3.10	5.62	4.07	4.45	4.17	4.25
B. Gathering—						
6 Plucking	3.58	5.96	3.29	3.83	3.45	3.68
7 Other charges	0.03	0.35	0.06	0.09	0.05	0.08
TOTAL—B	3.61	6.31	3.35	3.92	3.50	3.76
C. Manufacturing—						
8 Salaries and wages	1.32	1.78	1.11	1.09	0.88	1.06
9 Fuel	0.49	1.01	1.13	0.77	0.75	0.85
10 Maintenance	0.58	0.54	0.72	0.52	0.57	0.59
11 General Stores	0.05	0.24	0.54	0.19	0.27	0.30
12 Other charges . . . . .	..	0.67	0.27	0.07	0.36	0.31
TOTAL-C	2.44	4.24	3.77	2.64	2.83	3.11

Item	Terai	Darjee- ling	Dooars	Cachar	Assam	All Re- gions'
D. General Charges—						
13 Up-keep	1.76	1.63	2.56	2.71	1.62	1.98
13-A. Depreciation	0.91	0.72	0.46	0.85	0.69	0.67
14 Recruitment and Medical	1.42	2.14	0.78	1.01	1.18	1.16
15 Bonus- Staff	0.20	0.07	0.12	0.07	0.05	0.08
16 Bonus-Labour . . . . .	..	0.14	0.02	0.29	..	0.06
17 Salaries and allowances	3.55	3.41	1.55	2.35	2.42	2.36
18 General & other expenses	0.47	1.69	1.00	1.74	1.07	1.17
Less Credit (Replanting)	0.58	0.23	0.04	0.80	0.53	0.44
TOTAL-D	7.73	9.57	6.45	8.22	6.50	7.04
E. Packing—						
19 Tea Chest	1.61	1.99	1.74	1.70	1.88	1.82
20 Other material . . . . .	..	..	..	..	0.01	0.01
21 Labour	0.05	0.07	0.15	0.12	0.07	0.09
TOTAL-E	1.66	2.06	1.89	1.82	1.96	1.92
F. Selling (Exclusive of duty)—						
22 Freight and transport	0.57	1.53	0.72	0.13	1.00	0.89
23 Stock and transit insurance	0.43	0.09	0.88	0.08	0.15	0.13
24 Other expenses	0.91	0.46	0.60	0.77	0.49	0.57
25 Export Quota charges	0.15	0.11	0.22	0.01	0.09	0.12
TOTAL-F	2.06	2.19	1.62	1.29	1.74	1.71
TOTAL COST	20.60	29.99	21.15	22.34	20.70	21.79

1952

A. Cultivation—

1 General Field Work	1.93	3.75	3.47	3.15	2.63	2.91
2 Filling-in vacancies	0.14	0.28	0.21	0.56	0.16	0.23
3 Manuring	1.03	1.19	0.78	1.33	1.16	1.10
4 Spraying	0.05	0.08	0.03	0.17	0.04	0.06
5 Pest Control . . . . .	..	..	0.02	0.03	0.02	0.02
Less Credit (Replanting) . . . . .	..	..	0.04	0.32	0.95	0.08
TOTAL-A	3.15	5.30	4.47	4.92	3.96	4.24

Item	Teraï	Dajce- ling.	Dooars	Cachar	Assam	All Re- gions
<i>B. Gathering—</i>						
6 Plucking	3.55	6.13	4.08	3.49	3.55	3.84
7 Other charges	0.08	0.32	0.07	0.10	0.05	0.08
TOTAL-B	3.63	6.45	4.15	3.59	3.60	3.92
<i>C. Manufacturing—</i>						
8 Salaries & Wages	1.16	4.36	1.22	1.22	1.07	1.37
9 Fuel,	0.79	1.15	1.61	0.80	0.89	1.03
10 Maintenance	0.59	0.36	0.75	0.46	0.57	0.58
11 General Charges	0.05	0.22	0.54	0.23	0.30	0.32
12 Others . . . . .	..	0.67	0.40	0.11	0.35	0.33
TOTAL-C	2.59	6.76	4.52	2.82	3.18	3.63
<i>D. General Charges—</i>						
13 Up-keep	1.17	1.76	3.24	3.06	1.48	2.03
13-A. Depreciation	0.76	0.81	0.62	0.96	0.84	0.80
14 Cost of Recruitments Medical.	1.41	4.05	0.87	1.42	1.09	1.33
15 Bonus—Staff . . . . .	..	0.08	0.05	0.07	0.03	0.04
16 Bonus—Labour . . . . .	..	..	0.02	0.30	0.01	0.05
17 Salaries & Allowances	3.16	3.85	1.83	2.50	2.54	2.53
18 General & other Expenses	0.47	1.55	1.22	1.92	1.14	1.25
Less Credits	0.56	0.38	0.12	0.72	0.53	0.47
TOTAL-D	6.41	11.72	7.73	9.51	6.60	7.56
<i>E. Packing</i>						
19 Tea chests	1.69	1.84	1.58	1.63	1.86	1.76
20 Other Material . . . . .	..	..	0.01	0.02	..	0.01
21 Labour	0.05	0.08	0.19	0.15	0.08	0.11
TOTAL-E	1.74	1.92	1.78	1.80	1.94	1.88
<i>F. Selling—</i>						
22 Freight & Transport	0.49	1.02	0.53	0.51	1.04	0.84
23 Stock & Transit Insurance	0.36	0.07	0.08	0.06	0.14	0.12
24 Other Expenses	0.61	0.35	0.54	0.69	0.49	0.52
25 Export Quota Charges.	0.08	0.01	0.07	0.02	0.07	0.06
TOTAL-F	1.54	1.45	1.22	1.28	1.74	1.54
TOTAL COST	19.06	33.60	23.87	23.92	21.02	22.77

1953

Item	Terai	Darjee- ling	Dooars	Cachar	Assam	All Re- gions.
A. Cultivation—						
1 General Field Works . . .	1.49	2.35	2.60	1.12	2.70	2.39
2 Filling-in vacancies . . .	0.14	0.09	0.08	0.20	0.13	0.13
3 Manuring	0.57	0.53	0.53	0.42	0.94	0.74
4 Spraying	0.04	0.07	0.04	0.08	0.04	0.05
5 Pest Control . . . . .	..	..	0.01	0.01	0.02	0.01
Less Credits. . . . .	..	..	0.05	0.09	0.03	0.04
TOTAL-A.	2.24	3.04	3.21	1.74	3.80	3.28
B. Gathering.—						
6 Plucking	3.17	4.44	3.16	2.28	3.47	3.31
7 Other Charges	0.07	0.27	0.02	0.05	0.04	0.06
TOTAL-B.	3.24	4.71	3.19	2.33	3.51	3.37
C. Manufacturing—						
8 Salaries & Allowances . . .	1.08	1.33	1.16	0.59	0.98	1.00
9 Fuel	0.67	1.02	1.23	0.65	0.81	0.89
10 Maintenance	0.44	0.18	0.43	0.37	0.56	0.48
11 General Stores	0.03	0.19	0.50	0.18	0.23	0.26
12 Other Charges . . . . .	..	0.52	0.31	0.15	0.31	0.29
TOTAL-C.	2.22	3.24	3.63	1.94	2.89	2.92
D. General Charges—						
13 Up-keep	0.92	1.03	1.37	0.98	1.10	1.13
13-A Depreciation	0.98	0.80	0.61	1.10	0.95	0.89
14 Cost of Recruitment & Medical	0.90	4.49	0.74	0.71	0.92	1.13
15 Bonus—Staff	0.47	0.10	0.12	0.07	0.09	0.12
16 Bonus-Labour . . . . .	..	0.01	0.02	0.17	..	0.03
17 Salaries & Allowances . . .	2.93	3.58	1.90	2.18	2.56	2.47
18 General & Other Expenses . .	0.43	1.42	1.16	1.60	1.17	1.19
Less Credits	0.43	0.49	0.07	0.51	0.33	0.32
TOTAL-D.	6.20	10.94	5.85	6.30	6.46	6.64

Item	Terai	Dar ee- ling	Dooars	Cachar	Assam	All Re- gions
<i>E. Packing—</i>						
19 Tea Chests	1.51	1.90	1.64	1.35	1.71	1.65
20 Other Material . . . .	..	..	..	0.03	..	..
21 Labour	0.05	0.08	0.16	0.09	0.07	0.09
TOTAL-E. . . .	1.56	1.98	1.80	1.47	1.78	1.74
<i>F. Selling—</i>						
22 Freight & Transport . .	0.49	1.46	0.50	0.48	1.12	0.90
23 Stock & Transit Insurance .	0.42	0.08	0.07	0.06	0.14	0.13
24 Other Expenses	0.73	0.48	0.44	0.93	0.61	0.61
25 Export Quota Charges . .	0.45	0.06	0.58	0.09	0.34	0.35
TOTAL-F. . . .	2.09	2.08	1.59	1.56	2.21	1.99
TOTAL COST	17.55	25.99	19.27	15.34	20.65	19.94

APPENDIX XV

Average cost of South Indian Tea-per lb.

(in annas)

	1950	1951	1952	1953
A. Cultivation—				
1 General Field works	1.65	1.60	2.48	1.77
2 Filling-in vacancies	0.20	0.18	0.16	0.14
3 Manuring	1.25	1.43	1.81	1.56
4 Spraying	0.01	0.01	0.03	0.04
5 Pest Control	0.04	0.05	0.07	0.10
TOTAL A.	3.15	3.27	4.55	3.61
B. Gathering—				
6 Plucking	4.08	3.89	4.18	3.91
7 Other Charges	0.08	0.09	0.09	0.10
TOTAL B.	4.16	3.98	4.27	4.01
C. Manufacturing—				
8 Salaries & Wages	0.70	0.67	0.79	0.75
9 Fuel	0.33	0.36	0.43	0.41
10 Maintenance	0.28	0.37	0.41	0.31
11 Open Stores	0.03	0.04	0.05	0.02
12 Other Charges	0.17	0.13	0.16	0.15
TOTAL C.	1.51	1.57	1.84	1.64
D. General Charges—				
13 Upkeep	0.64	0.58	0.82	0.68
13 Depreciation	0.58	0.63	0.76	0.69
14 Cost of recruitment &— Medical facilities	1.27	1.18	1.45	1.39
15 Bonus—Staff	0.16	0.20	0.13	0.15
16 Bonus—labour.	0.42	0.48	0.56	0.53
17 Salaries & allowances	1.59	1.54	1.82	1.63
18 General and other expenses.	0.76	0.74	0.85	0.77
Less Credit	0.20	0.15	0.17	0.17
TOTAL D.	5.22	5.20	6.22	5.67

					1950	1951	1952	1953
<i>E. Packing—</i>								
19	Tea Chests	.	.	.	1.49	1.55	1.66	1.48
20	Other Material	.	.	.	..	..	..	0.01
21	Labour	.	.	.	0.03	0.02	0.03	0.04
TOTAL E.					1.52	1.57	1.69	1.53
<i>F. Selling—</i>								
22	Freight & transport	.	.	.	0.36	0.37	0.42	0.44
23	Stock & transit insurance	.	.	.	0.06	0.05	0.03	0.03
24	Other expenses	.	.	.	0.01	0.02	0.04	0.04
25	Export Quota Charges	.	.	.	0.11	0.22	0.06	0.09
TOTAL F.					0.54	0.66	0.55	0.60
TOTAL COST					16.10	16.25	19.12	17.06

APPENDIX XVI

Schedule of services rendered by the Public Warehousemen and the charges made

SCHEDULES	RATES. Rs. as. ps.
A. Receiving into warehouse, repairing major and minor damages caused in transit, gross weighment, stacking at location for category inspection by brokers, boring, bunging, re-weighment of sample chests, with free rent up to one Calendar month	1 1 6 Per chest.
B. Rent after first month up to and including Prompt Date, per week or part of a week, payable by Seller	0 2 9 "
C. Rent after 'Prompt Date' per week or part of week, payable by buyer	0 2 9 "
CP. Penal rent when authorised by the Committee of the Calcutta Tea Traders Association under Clause 9 Part III of the Association's Rules per week or part of a week	0 4 0 "
D. Removing from one floor to another	0 1 9 "
E. Re-stacking	0 1 0 "
F. Breaking stack, laying down and re-stacking	0 1 3 "
G. Damaged teas, special charge for handling	0 2 3 "
H. Actual weighment and marking, <i>i. e.</i> emptying chests, weighing tare, re-packing, gross weighing and marking	0 7 9 "
I. Re-packing into chest or bags, weighing and marking (cost of new chests or bags charged separately under Schedule T)	0 9 9 "
J. Replacing panels (labour only)	0 4 6 "
K. Street Removal (party's labour)	0 0 6 "
KK Street Removal, <i>i. e.</i> removing chests from location placing in Street Delivery Bays (Contractor's labour)	0 2 3 "
	(+ Port Commissioners, charges 0 1 0 Surcharge 33½%)
L. Rail removal charges, <i>i. e.</i> removing chests from location and making over to Port Commissioners for removal by Port Trust Railway	0 2 0 "

M.	Check weightment on removal, <i>i. e.</i> gross weightment under instructions received through brokers.	Rs. as. ps.	
		0 1 0	per cent.
O.	Marking (rectifying irregular marking, etc.)	0 2 6	"
P.	Cleaning teas	0 2 0	"
Q.	Gunnying and marking	1 13 0	"
R.	Hoping	0 12 6	"
S.	Gunnying, hooping and marking	2 10 0	"
T.	Materials, chests, bags, panels, etc	Charged at current rates.	
U.	Drawing of buyer's samples	0 3 0	Per sample.
W.	Gross weightment from stack	0 1 9	per chest.
X.	Sorting of sub-lots for re-stacking (Sellers Account)	0 1 9	"
Y.	Sorting of part lots for delivery (Buyers Accounts)	0 1 9	"

The following services are rendered by the public warehousemen:—

(1) On Sellers Account./

- (a) Careful inspection and qualification of all chests received from the Carrying Companies; chests received in a broken or patched condition are set aside for special weightment and repair. Statements are issued giving details of all chests received in a broken or damaged condition and the shortages, if any, discovered at time of initial weightment form the basis for settlement of claims lodged by sellers on Carrying Companies.
- (b) After 100% weightment of teas they provide the brokers with Arrival and Weightment Lists showing complete details of teas received including the individual chest numbers of every chest whose weight differs at the time of weightment from the weights marked on chests at gardens. These lists are provided at the latest 48 hours after receipt of teas, thereby enabling the brokers to print teas for sale with the minimum delay.
- (c) To set aside for brokers' inspection all chests received in a stained or wet condition and after inspection by them carry out a joint weightment with the brokers and issue necessary Damage Reports showing amount of tea declared damaged. Return all tea found damaged to the Carrying Cos'. who normally meet claims from sellers on this account.
- (d) Submit warehouse charges incurred on sellers account to the brokers in time to permit adjustments to be made in Sale Accounts against Sale Proceeds thereby facilitating sellers accounting procedure.
- (e) Provision of adequate security arrangements to prevent losses to sellers through pilferage.

(2) On Buyers' Account.

- (a) By 100% weightment of teas on receipt from the Carrying Cos. they ensure that the weight of tea offered for sale is the exact weight found on receipt into the warehouses and not the weight declared on garden invoice. This caters for losses of tea in transit, short packing at gardens, etc.

- (b) Making ready teas for delivery to buyers within 24 hours of filing of removal papers, subject to limitation of warehouse delivery capacities.
- (c) Check weighment of teas of the time of delivery if required by buyers and acceptance of claims due to differences in the weight as found and weight as declared by the warehousemen at the time of entry weighment.
- (d) Provision of adequate security arrangements to prevent losses to buyer due to pilferage.
- (3) Banks.

Hypothecation of teas by buyers has increased to such an extent during the past 12 months that it is now necessary for the warehousemen to provide a separate section to deal with this matter. Warehousemen note banks' lien on teas and protect their interests by not permitting delivery of these teas unless they receive definite notification from the bank or through the selling broker that the teas are no longer under lien.

(4) Tea Trade in General.

Sealing teas of doubtful quality which have been sent to the Adjudication Committee of this Association until a decision has been given as to their fitness for sale or otherwise. Removing teas found unfit for sale to the Faulty Teas Warehouse and either cleaning or denaturing these teas as required by the owners.

Compilation of statistics which are available as may be required by the Trade.

APPENDIX XVII

List of services rendered by Calcutta tea brokers to sellers and buyers.

Item	For Sellers	For Buyers
1. Tea Estate visiting, Sorting and Muster Sample testing.	<p>(a) Brokers periodically visit Tea Estates when required by owners and advise on manufacture, sorting, packaging and types of Tea likely to be wanted by the different markets.</p> <p>(b) Most Estates send Brokers samples of this order soon after manufacture. Brokers report on them and offer advice where necessary. A Broker assists his Seller by providing information or counsel regarding the best market on which to offer his Tea or whether Tea should be sent by air or not.</p>	On the basis of these visits and the forward Samples seen, a Broker keeps Buyers in touch with quality and crop trends as the season progresses.
2. Arrival of teas in Warehouse	<p>(a) Advises Sellers of Arrival, lifting and location.</p> <p>(b) Checks weights</p> <p>(c) Separates stained and damaged chests and notifies chest repairs.</p>	Buyers are advised of the general arrival position, future Sale quantities and similar information.
3. Inspection	(a) Inspects teas for taints, unevenness, condition etc. Issues reports, damage short weight certificates etc. whenever required.	(a) Inspects chests for condition and classifies them Good, Fair, Weak or Wood borners, and notes the make of the chest.
4. Sale samples	(a) Draws sample tea from sample chest and packets sample for each Buyer. (Last season (1953/54) some 7,500,000 Samples were distributed.)	<p>(a) Collects sample at Warehouse and delivers to 82 main Buyers offices well in advance of the Sale date.</p> <p>(b) Samples for 283 other smaller registered Buyers are provided if required.</p> <p>(c) The Health Regulations of the Calcutta Corporation lay down that Dust teas may only be sold so long as the soluble ash content is below 8.0%. Brokers therefore submit on behalf of both Sellers and Buyers, Dust teas to a special Examination before printing so that any doubtful Teas can be sent for analysis and subsequent cleaning should this be necessary.</p>
5. Catalogues.	(a) Brokers collate the necessary information and print catalogues for all auction teas and these are sent to the Buyers and Sellers where requested.	

Item	For Sellers	For Buyers
	<p>(b) The catalogue contains the undermentioned information; the items marked with an asterisk are those which are additional to Brokers catalogues on other markets. Moreover, this catalogue forms the basis of subsequent documentation with the Warehousemen, Buyers, the Licensing Committee, the Port Commissioners, the Tea Transit Shed, the Health Officer Calcutta Corporation and the Collector of Central Excise. Copies are also provided for numerous other bodies :—</p> <p>(i) An index of Garden Marks on offer. *</p> <p>(ii) Type of Export Quota. *</p> <p>(iii) Estate Mark. *</p> <p>(iv) Invoice and Quota Registration Number. *</p> <p>(v) Warehouse and Warehouse rotation Number. *</p> <p>(vi) Date of arrival or lifting. *</p> <p>(vii) Chest Classification. *</p> <p>(viii) Make of Package and type of lining. *</p> <p>(ix) Notes whether the chest are stained or Broken, and Repaired or affected by Wood Borers. *</p> <p>(x) Notes if the condition is not guaranteed. *</p> <p>(xi) Notes if the tea contains mouldy leaves, etc. *</p> <p>(xii) Lot number, grade and number of chests. *</p> <p>(xiii) Chest numbers, gross and net weight of each chest and also total net weights. *</p>	
6. Valuations	(a) Detailed sale reports with valuations are provided for each tea with suggestions for improvement where necessary.	(a) Valuations are sent to Buyers for their guidance.
7. Sale Room	<p>(a) The Broker auctions and knocks down each break to the highest bidder according to the Sellers instructions.</p> <p>(b) In the event of an insufficiently high bid the Broker withdraws the lot and places it on an "outlist"</p>	<p>(a) Staff of trained personnel attend the sale to assist Buyers in particular with regard to the division of lots. Auction or regulates pace of sale to assist Buyers when dividing. It is estimated that 95% of large breaks are divided.</p> <p>(b) The broker checks the Buyers divisions after the Sale.</p> <p>(c) Brokers provide liquid and solid refreshments including luncheon</p>

Item	For Sellers	For Buyers
		(d) Brokers provide and maintain the Auction Room, its furniture and fittings.
8. Purchase Samples	Not applicable.	(a) Sample is delivered to each Buyer of lot or part lot.
9. Contracts and sale Notes.	(a) As many copies as required of Sale note are sent to Seller and/or Agent and/or Estate.	<p>(a) Two or three copies of contract given to Buyer. Principal contract between Buyer and Broker.</p> <p>(b) Contract shows, in addition to lot number and price: Garden mark, grade, number of chests, chest number of odd weights and condition of chests.</p> <p>(c) Copy of contract is sent to the Warehouse to assist Buyer when taking delivery.</p> <p>(d) A contract is sent to every buyer of lot or part lot.</p> <p>(e) Brokers issue certificates to Buyers for their purchases as sometimes demanded.</p>
10. Re-drawn samples after sale.	Not applicable.	(a) Buyers advise Brokers of requirements. Samples are drawn and delivered to Buyers.
11. Disposal of 'Out Lots.	<p>(a) Prices are fixed by Sellers after the sale.</p> <p>(b) If fixed price is bid, tea is sold. Lower bids are referred to Sellers for decision.</p>	(a) List of out-lots showing fixed price is sent to each Buyer. Any buyer can bid fixed price but if unwilling to divide higher bids can be accepted. Any bids below fixed price must be referred to likely Buyers if Seller agreeable to sale.
12. Delivery	Not applicable.	The Broker endorses the Buyer's Sale Advice (or Delivery Order) and this indicates to the Warehousemen that Delivery can be given since payment has been made or the Brokers credit facility covers this part of the Sale.
13. Advance payment of freight.	(a) Freight bills are paid by Borkers usually well before sale. The brokers pay on behalf of the Seller and charges no interest although the amounts outstanding are for considerable periods at times.	Not applicable.

Item	For Sellers	For Buyers
14. Tea Board (Licensing Committee)	<p>(a) Brokers check with Tea Board (Licensing Committee) that estates have sufficient Export Quota to cover their offerings before each sale.</p> <p>(b) In each case of the sale of an out-lot the Tea Board Licensing Committee and Seller are given detailed advice note.</p> <p>(c) The Brokers information provides the basis of the machinery by which quota balances and transactions are recorded.</p> <p>(d) Many Sellers ask their Brokers to act on their behalf regarding Quota transactions. Brokers in consequence are responsible for passing the necessary "Bought & sold" forms and keep a check on the quota balances concerned.</p>	<p>(a) Total poundage purchased by each Buyer is calculated by the broker. Divided lots add greatly to this work.</p> <p>(b) The Tea Board Licensing Committee and Buyer are both advised of the poundage and the Tea Board licensing Committee makes the necessary credits to Buyers accounts.</p> <p>(c) The purchase of out-lots is advised to the Tea Board Licensing Committee and the Buyer in detailed advice note.</p>
15. Account Sales.	<p>(a) Prepared by Brokers. Show in detail sum due to Seller; i.e. value of tea, less allowance for weak and fair chests, cess, freight etc. Warehouse charges and Brokerage plus excise duty.</p>	Not applicable.
16. Bills.	Not Applicable.	<p>(a) Brokers prepare detailed bills. Bills show poundage and value of tea, Excise duty, Warehouse charges and Brokerage are added and Cess and allowances for fair and weak chests deducted.</p>
17. Payment	<p>(a) Sellers receive payment from Brokers on due date whether Buyers have or have not paid Brokers.</p>	<p>(a) Payment by Buyers is due to Brokers not later than prompt day. It is not unknown for buyers to be late with their cheques.</p>
18. Credit & Risk	<p>(a) Brokers act as principals and guarantee full payment to the Sellers. This is not done by any other Tea Brokers in the world with the exception of two in London.</p>	<p>The Brokers at their own risk and discretion give credit to the main buyers and these amount to between 40 and 50. The maximum credit is two weeks and varies to one week and then different sums of money according to the Buyers operations and standing.</p>
19. Warehousemen's Charges.	<p>(a) Collected by Broker from Seller on behalf of Warehousemen. This obviates necessity of Deposit Accounts and saves Warehousemen much accounting.</p>	<p>(a) Collected by Brokers from Buyers on behalf of Warehousemen. This again obviates necessity of Deposit Accounts, etc.</p>

Item	For Sellers	For Buyers
20. Collection of tea cess & Excise Duty.	(a) The Broker realises the amount of Excise Duty from the Buyers bill and credits it to the Sellers. The Seller is then reimbursed for the Excise Duty he paid when the Tea left the factory.	(a) On export offerings the Broker realises the amount of tea cess from the Sellers and credits the Buyer who pays the Customs and Excise on shipment of the Tea.
21. West Bengal Sales Tax.	Brokers only pass contracts to buyers who are holders of registration certificates which exempt them from sales tax. This covers any liability on the part of the seller to this tax.	(a) Each buyer having his own registered number submits a special Declaration Form to the Broker at the time of payment. On demand the Broker hands these forms over to the Sales Tax Authorities for inspection. (b) Brokers are held responsible by Sales Tax Authorities for relevant sales tax where a Trader has gone out of business.
22. Claims	(a) Brokers issue Damage Reports on behalf of the seller where necessary. They also auction and sell the sound portion of any damaged tea and issue Damage Certificates for the sound value of the damaged tea to the seller and in some cases to the Carrying or Insurance companies. (b) Brokers issue Short Weight Certificates on all Broken and/or Repaired chests found short in weight. These are forwarded by the sellers to the Insurance Company who claim on the Carrying Company. (c) The brokers issue Damage Certificates due to Warehouse roof leakage to whoever is the owner of tea at the time of damage. (d) For many Indian owned estates Brokers submit claims to the Insurance Companies where necessary.	Brokers entertain claims from buyers on the grounds of differences of the bulk from the purchase sample, and also with regard to differences in tare weights.
23. Tainted or damaged teas or teas of doubtful quality.	The Broker acts on behalf of both the buyer and seller in seeing that any teas which are not suitable for auction are sent to the Association's Panel which adjudicates on teas of doubtful quality. In cases where the teas are unfit for auction they are either cleaned at the Faulty Teas Warehouse or sold for chemical purposes. In the case of stalky teas those considered to contain between 20% and 50% of hard stalky teas and this decision normally falls to the Broker. Teas of over 50% hard stalk have to be sold as tea waste.	

Item	For Sellers	For Buyers
24. Finance . .	<p>(a) Since the time when tea estates were first being put out brokers have assisted in financing tea production. It is, therefore, not unnatural that these producers should continue to sell their tea through the brokers who provided this early and essential assistance.</p> <p>(b) Later on in the development of the tea industry brokers have from time to time made advances in different ways to producers. Particularly Indian producers who were without other means of financial support.</p> <p>(c) At the present time brokers hypothecate crops provide guarantees to Banks overdrafts make advances against manufactured tea as well as paying freight and other bills for sellers prior to the sale of the tea.</p>	The credit facilities have been shown above.
25. Statistics . .	The brokers have for many years maintained a statistical department and staff. This has in the past and is still providing the trade in general with the statistical basis of its Northern India production and primary marketing information.	
26. Tea Reports . .	<p>(a) The brokers provide weekly, periodical and annual reports which are used by both buyers and sellers as well as the press.</p> <p>(b) The weekly reports show the average prices for each Estate selling on the Calcutta Market.</p>	
27. Arbitration . .	Brokers are the most liable section to be called upon to act as arbitrators in the very few instances where a disagreement is taken to this length in the Tea Industry.	
28. Restriction of Brokers Activities.	(a) Brokers are not permitted to undertake any tea Agency business.	<p>(a) Brokers bind themselves not to be interested either directly or indirectly in any purchase or shipments of tea and not in any way to solicit, receive or execute orders from outside markets either directly or indirectly for themselves or others or to act in any way that might interfere with Buyers' interests.</p> <p>(b) Brokers shall not purchase in excess of orders and must declare to the Committee of the Association any accidentally over bought lots.</p>

APPENDIX XVIII

A. Rules of Calcutta Tea Traders Association for Sale by Auction.

1. All sales shall be held under and subject to and Rules of the Calcutta Tea Traders Association for the time being in force.

2. The conditions of all sales shall be the Conditions of Sale of the Association for the time being in force. The conditions of sale in force at the date hereof are printed on page 19.

3. Any lots of less than 18 chests in number will be regarded as 'small lots' and those of 5 chests or less in number will be offered in a supplementary catalogue. Sales of all export teas followed by Export Supplement Lots will usually be held on the same day and sales of all Internal leaf and Dusts and Internal Supplement Lots on the following day but this agreement may, as circumstances require, be varied at the discretion of the Committee of the Association.

4. Sales will commence on each day at such hour as the General Committee shall decide.

5. All Buying Brokers to guarantee their Buyers and to be liable to pay the Selling Brokers for all tea bought by them, and also to pay, if required the deposits provided for in the conditions of sale.

6. Brokerage of 1% on sales and Rs. 1/4 per 100 pounds on purchases. In all cases, however, where a Broker acts as a Buying Broker in respect of teas catalogued by any other Broker, the selling Broker shall be paid annas ten per 100 pounds by the Buying Broker who shall be paid Rs. 1/4 per 100 pounds by the Buyer.

Subject as herein provided no return brokerage or consideration of any kind whatever for selling or buying shall be made under any circumstances.

The Selling Broker shall guarantee due payment or proceeds of sales to the seller.

7. Buyers who do not wish to bid for teas themselves may give their buying orders to any individual Broker other than the Auctioneer.

8. Bidding may not be re-opened on outlots in the Auction Room after the cessation of bidding on the five subsequent lots.

9. Sellers shall give Brokers fixed prices after the sale on all teas withdrawn. A Buyer wishing to take such an "Out Lot" at the price fixed, must inform the Broker before 11.30 a. m. on the day following the sale and at the same time state the number of buyers, if any, with whom he is willing to divide. If the first Buyer will not divide or if there are more Buyers asking for part than he will divide with, any subsequent buyers may bid a higher price for the tea and the first Buyer shall be informed of such bid or bids. The first buyer shall not be entitled to claim the tea at the subsequent Buyers's bid but he may make an advance in the bidding.

Bidders will be advised of their contracts at 11.30 a. m. or as soon thereafter as bidding and dividing has been completed.

10. Brokers can receive counter offers for teas unsold, after 11.30 a.m. only and if these are accepted by the sellers, all buyers must be notified of the acceptance price. Offers will not be accepted for teas for which the fixed price has already been bid but for which contracts have not been completed before 11.30 a. m.

Any lot taken at a fixed price after 11.30 a.m. will be knocked down to the Bidder at once and no other Buyer will have any claim to the tea nor will Brokers be permitted to ask the Buyer for part on behalf of other Buyers.

11. Teas on 'Out-lists' which remain unsold for a period may be re-printed by Brokers for offer for a second time at public auction after re-sampling to the trade. Offers made by buyers for such teas even at the fixed price or above must be referred to the trade if the teas have been re-sampled.

12. No broker may forward contracts to more than three buyers in lots of 47 chests and under, nor to more than two buyers in lots of 23 chests or under, nor to more than one buyer in lots of 11 chests or under. In lots of 48 chests and over no broker may forward contracts to more than four buyers.

13. With respect to all tea sold at auction on and after 21st of April 1923 a sum corresponding to the rate in force for the time being of the Tea Cess levied under the India Tea Cess Act of 1903, and subsequent amendments, shall be charged by brokers to sellers' account and deducted from buyers' bills. In calculating the charge to be levied in respect of the cess on quantities of less than 100 lbs. of tea, Brokers shall observe the scale which the Collector of Customs, Calcutta, may fix for the time being for the collection of the cess on such account. This scale shall be made known to members of the Association by the Committee.

14. With respect of all tea manufactured after 1st April 1944, brokers shall include in buyer's bill a sum corresponding to the rate in force for the time being of the Excise Duty on tea levied by the Central Government under the Central Excise and Salt Act, 1944 and any subsequent amendments thereof.

B. Rules of the Tea Trade Association of Cochin for sale by Auction.

1. All sales shall be held under and subject to the Rules of the Tea Trade Association of Cochin for the time being in force.

2. The conditions of all sales shall be the Conditions of the sale of the Association for the time being in force.

3. Sales will commence on each day at such hour as the General Committee shall decide.

4. Brokerage of 1% on Sales and at the discretion of the broker concerned, 1% on purchases by buyers not present at the auctions. In all cases however where a Broker acts as a Buying Broker in respect of Teas catalogued by any other Broker, the Selling Broker shall be paid one-half percent by the Buying Broker who shall be paid one percent by the Buyer.

Subject as herein provided, no return brokerage or consideration of any kind whatever for selling or buying shall be made in any circumstances.

5. Buyers who do not wish to bid for teas themselves may give their buying orders to any individual Broker other than the Auctioneer.

6. Brokers shall charge to Sellers' accounts and deduct from Buyers bills a sum corresponding to the rate for the time being in force of the Tea Cess levied under the Indian Tea Cess Act of 1903 and subsequent amendments.

7. Brokers shall include in Buyers' bills a sum corresponding to the rate for the time being in force of the Excise Duty on tea levied by the Central Government under Central Excise and Salt Act, 1944 and subsequent amendments.

8. Buyers who do not wish to attend auctions, but who desire contracts in their own names, must give their orders to either of the selling Brokers. Buyers making purchases under this Rule shall be charged 1% buying brokerage.

APPENDIX XIX

Statement showing profit made by three Blenders in their tea packing and tea distribution trade during the period 1950-1953

Year	Company 'A'			Company 'B'			Company 'C'		
	1	2	3	4	5	6	7	8	9
	Profit on Manufacturing Account	General overhead & Admn. Expenses	Net profit before Taxation (1)-(2)	Profit on Manufacturing Account	General overhead & Admn. Expenses	Net Profit before Taxation (4)-(5)	Profit on Manufacturing Account	General overhead & Admn. Expenses	Net Profit before Taxation (7)-(8)
1950.	. . . 1,917	578	1,339	488	582	-94	584	440	144
1951	. . . 1,427	370	1,057	1,000	1,013	-13	656	501	155
1952	. . . 13,669	5,074	8,595	3,902	1,579	2,323	709	536	173
1953	. . . 13,019	4,925	8,094	2,246	1,328	918	N.A.	N.A.	N.A.

NOTE.—General overhead and administrative expenses in the case of companies 'A' & 'B' are apportioned to manufacturing expenses.

APPENDIX XX

List of tea estates of foreign ownership which have been purchased by Indian nationals in the last few years.

Name of Estate	District	Acreage under Tea	Purchase Price	Purchase Price per acre	Date of sale
1	2	3	4	5	6
<i>North India--</i>					
Socklatinga . . .	Sibsagar .	841·11	12,25,000	1,455·81	6-2-53
Dahingespar . . .	Sibsagar .	522·02	9,30,000	1,781·54	1-1-54
Khongea . . .	Sibsagar .	633·40	N.A.	..	1-2-52
Gabroo Parbut . . .	Sibsagar .	602·00	N.A.	..	1-1-49
Halmirah . . .	Sibsagar .	560·67	N.A.	..	After 1-4-52
Negheringting . . .	Sibsagar .	1,903·51	N.A.	..	1-1-55
Massamara . . .	Sibsagar .	1,202·78	N.A.	..	1-1-55
Rungamatty . . .	Sibsagar .	1,024·32	N.A.	..	1-1-55
Borsillah . . .	Sibsagar .	910·02	11,00,000	1,208·76	1-1-54
Dhendai . . .	Darang .	677·00	10,00,000	1,477·10	1-1-47
Rungli Ting . . .	Lakhimpur .	333·00	5,30,000	1,591·59	31-1-51
Tarajan . . .	Lakhimpur .	423·00	11,10,330	2,624·89	1-12-46
Khonikor . . .	Lakhimpur .	409·00	13,75,000	3,361·86	1-1-47
Mokalbary . . .	Lakhimpur .	773·00	26,00,000	3,363·52	1-1-48
Ghoronia . . .	Lakhimpur .	200·25	N.A.	..	1-1-47
Dholla . . .	Lakhimpur .	429·00	7,50,000	..	1-1-50
Ambootia . . .	Darjeeling .	765·48	5,00,000	653·18	12-3-54
Mondakotee . . .	Darjelling .	1,285·08	9,50,000	739·25	1-12-54
Chongtong . . .	Darjeeling .	1,065·00	7,30,000	685·45	1-12-54
Phuguri . . .	Darjeeling .	591·77	4,50,000	756·59	1-12-54
Goomtee . . .	Darjeeling .	344·59	N.A.	..	20-3-50
Kumai . . .	Dooars .	709·00	13,30,000	1,875·88	1-1-54
Hahaipatha . . .	Dooars .	951·08	21,00,000	1,990·31	1-1-54
Goodhope . . .	Dooars .	1,004·00			
Chargola . . .	Sylhet .	1,454·43	N.A.	..	1-12-54
Goombira . . .	Sylhet .	1,375·64	24,20,000	1,759·18	1-12-54

1	2	3	4	5	6
Singlacherra . . .	Sylhet .	1,533·33	N.A.	..	1-12-54
Dallabcherra . . .	Sylhet .	935·00	N A	..	1-1-51
Mookhamcherra . . .	Sylhet .	729·00	N.A.	..	1-1-51
Cossipore . . .	Cachar .	644·00	3,00,000	465·84	1-1-54
Ruttonpore . . .	Cachar .	628·00	5,00,000	796·18	1-1-54
Polai . . .	Cachar .	533·93	3,75,000	702·34	1-1-51
Jetinga Valley . . .	Cachar .	363·48	N.A.	..	1-1-47
<i>South India —</i>					
A Rob Roy . . .	Nilgiris .	384·48	8,87,000	2,307·01	12-6-48
A Goodwill . . .	Nilgiris .	38·02	30,000	789·06	5-11-48
A Haradathorai . . .	Nilgiris .	30·81	2,25,000	1,302·82	6-8-49
A Highfield . . .	Nilgiris .	108·12	2,40,000	2,219·76	24-7-47
B Bawerlands . . .	Nilgiris .	27·55	1,17,000	4,246·82	29-10-54
B Bengorm . . .	Nilgiris .	351·56	13,50,000	3,840·03	3-7-54
A Sansouci . . .	Nilgiris .	27·05	33,500	1,238·45	11-3-46
A Kallyar . . .	Coimbatore .	623·30	34,66,667	2,072·86	1-10-46
A Sholayar . . .	Coimbatore .	1,049·11			
B Wavercroft . . .	Coimbatore .	273·73	12,00,000	4,383·88	13-8-54
C Semni Valley . . .	Kottayam .	453·00	10,00,000	2,207·51	20-3-46
C Fairfield . . .	Kottayam .	429·75	8,00,000	1,861·55	2-1-47
C Kokayar . . .	Kottayam .	265·75	4,10,500	1,544·68	19-10-51
C Olivers & Black rock. . .	Trivandrum.	96·00	2,25,000	2,343·75	12-3-52
D Morchiston } . . .	Trivandrum	487·90	11,05,000	1,337·64	1-4-54
D Innercauld } . . .		338·18			
D Atchencoil . . .	Trivandrum	383·02	8,00,000	2,088·66	3-7-54

NOTE.—N. A. means Not Available.

SOURCE.—Tca Board.

